

RISING GAS PRICES: CONSUMER CRISIS OR WAKE-UP CALL?

Urban Sustainability Forum

Robert T. Dunphy

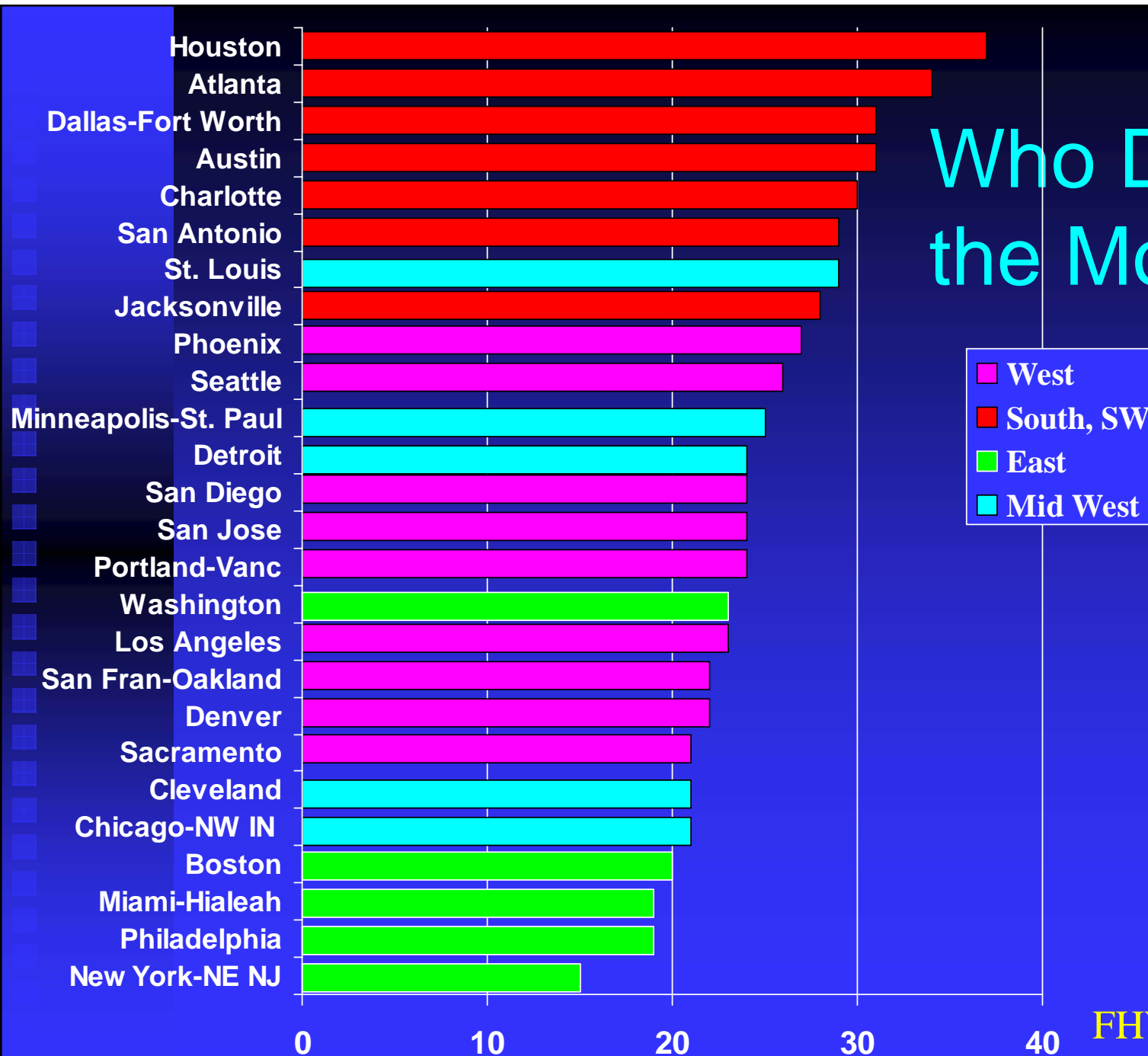
Urban Land Institute

August 28, 2006, Seattle

Making Connections

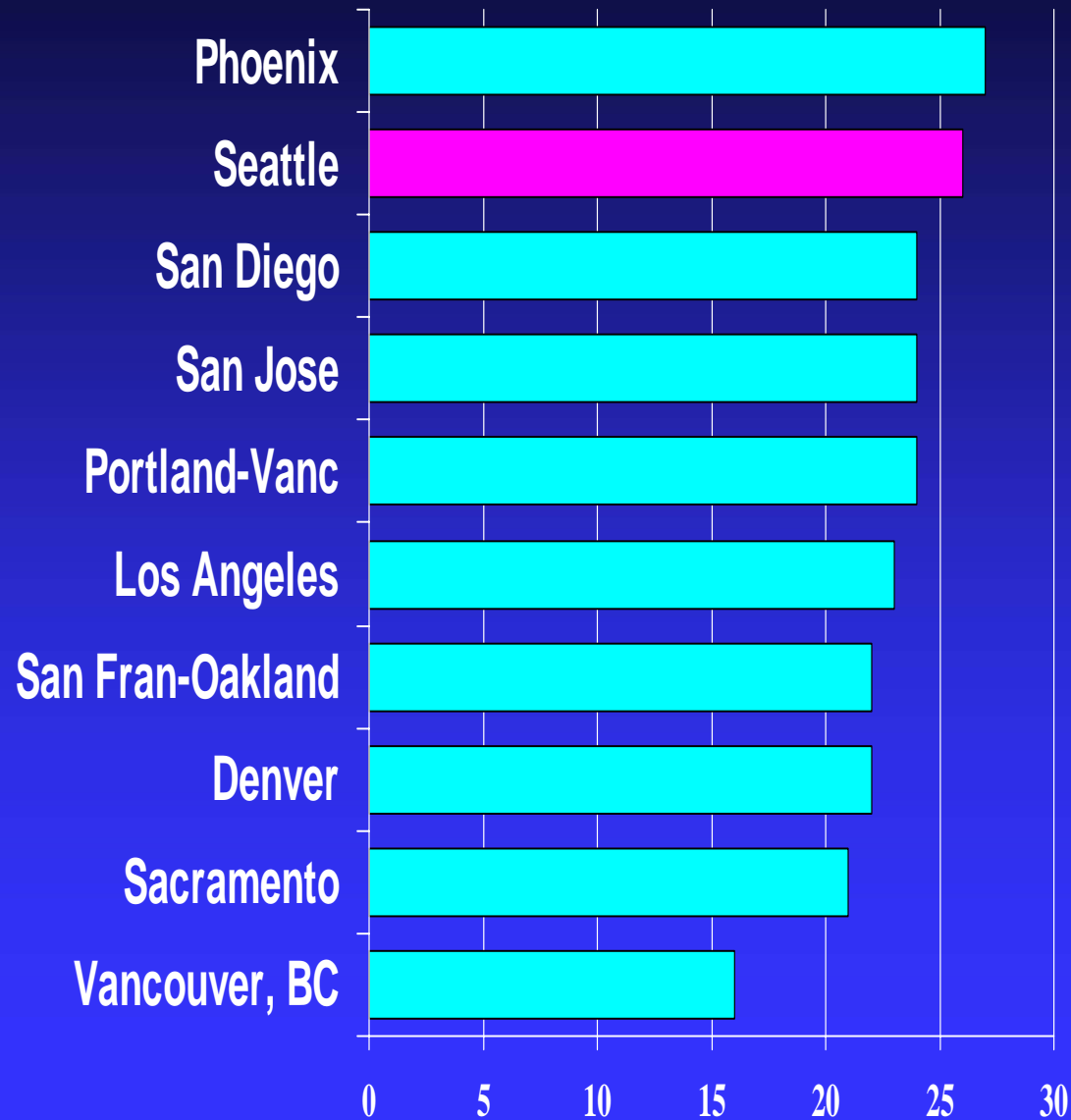


Who Drives the Most?



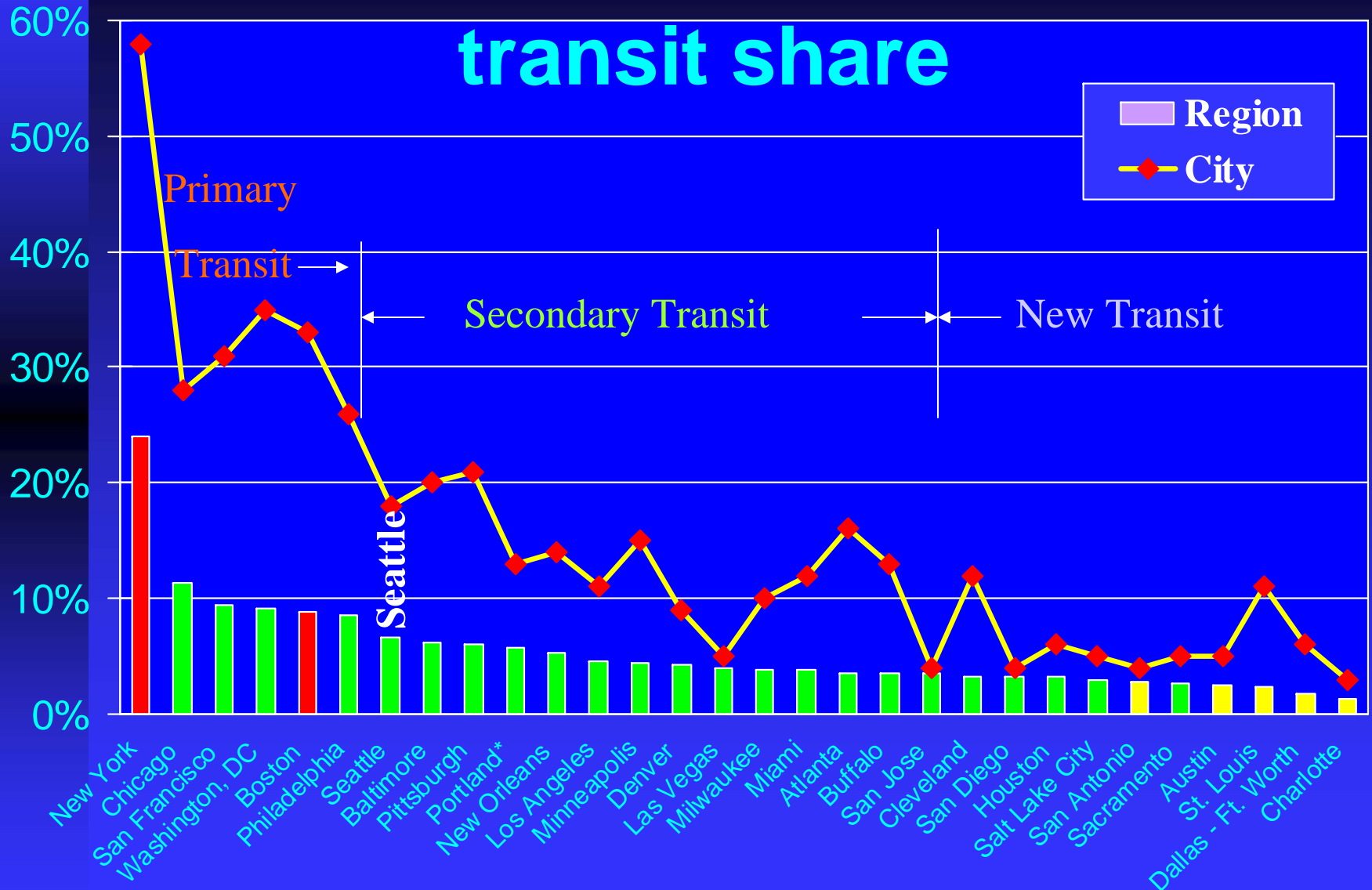
FHWA, Highway
Statistics 2004

Driving in the West

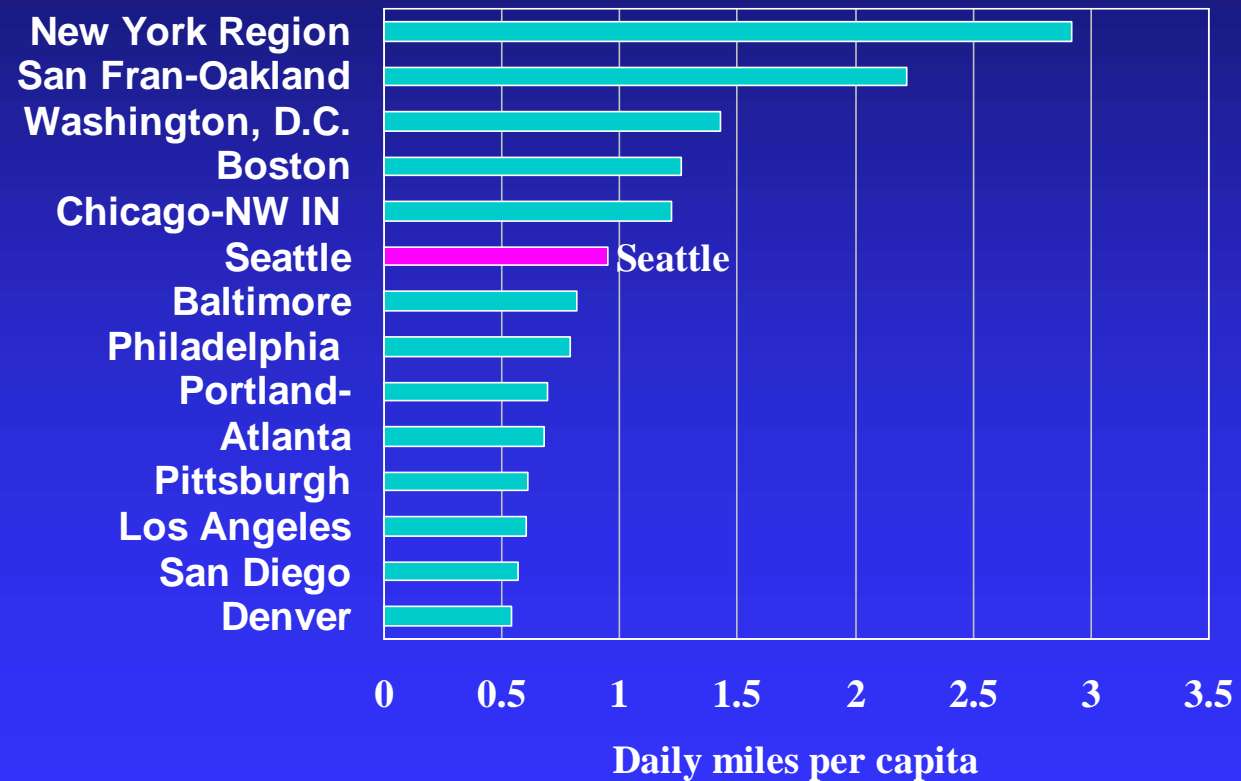


FHWA, Highway
Statistics 2004

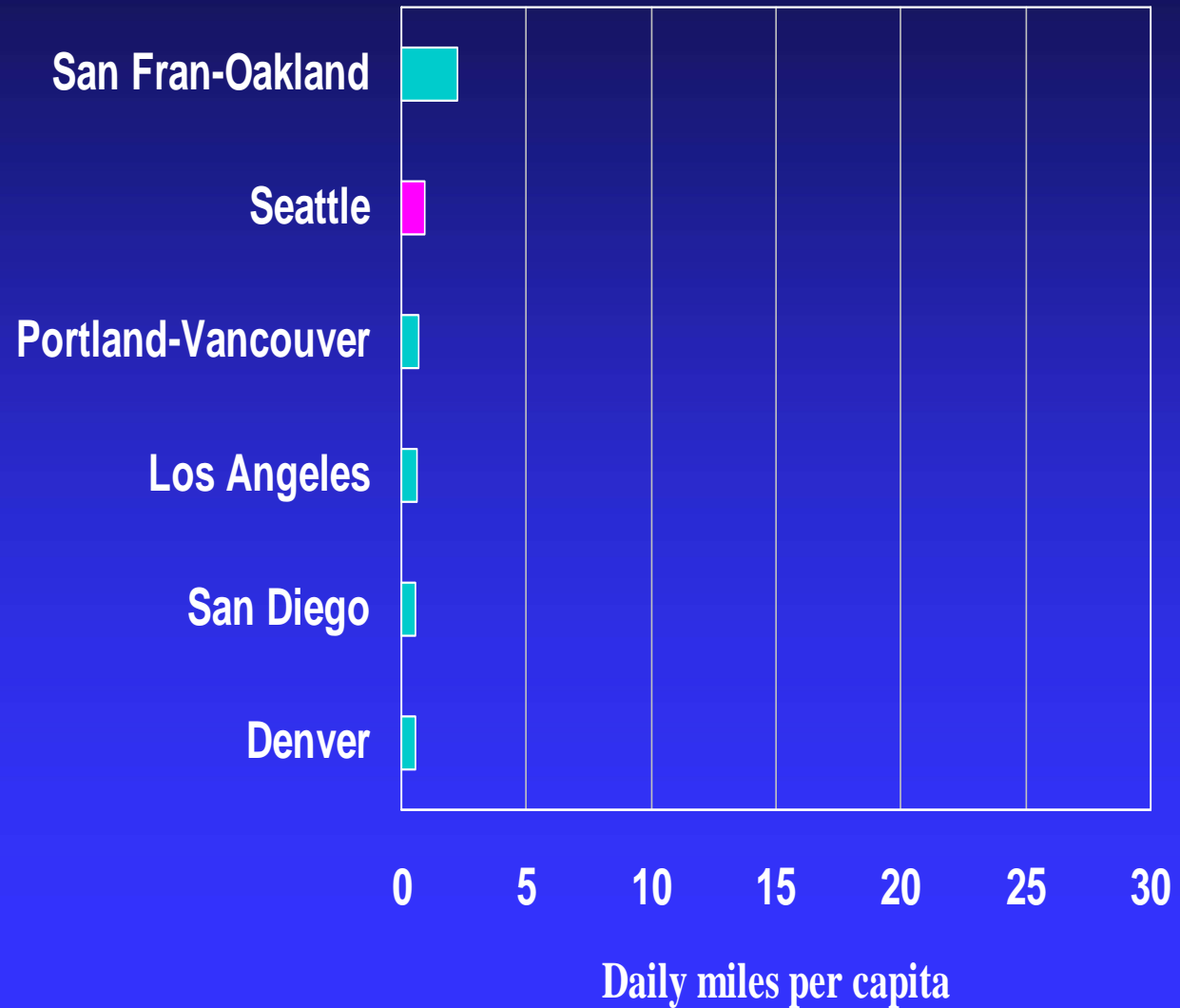
Seattle 7th in regional transit share



Tops for Transit



Transit in the West



Commute Times in the West

San Francisco

Los Angeles

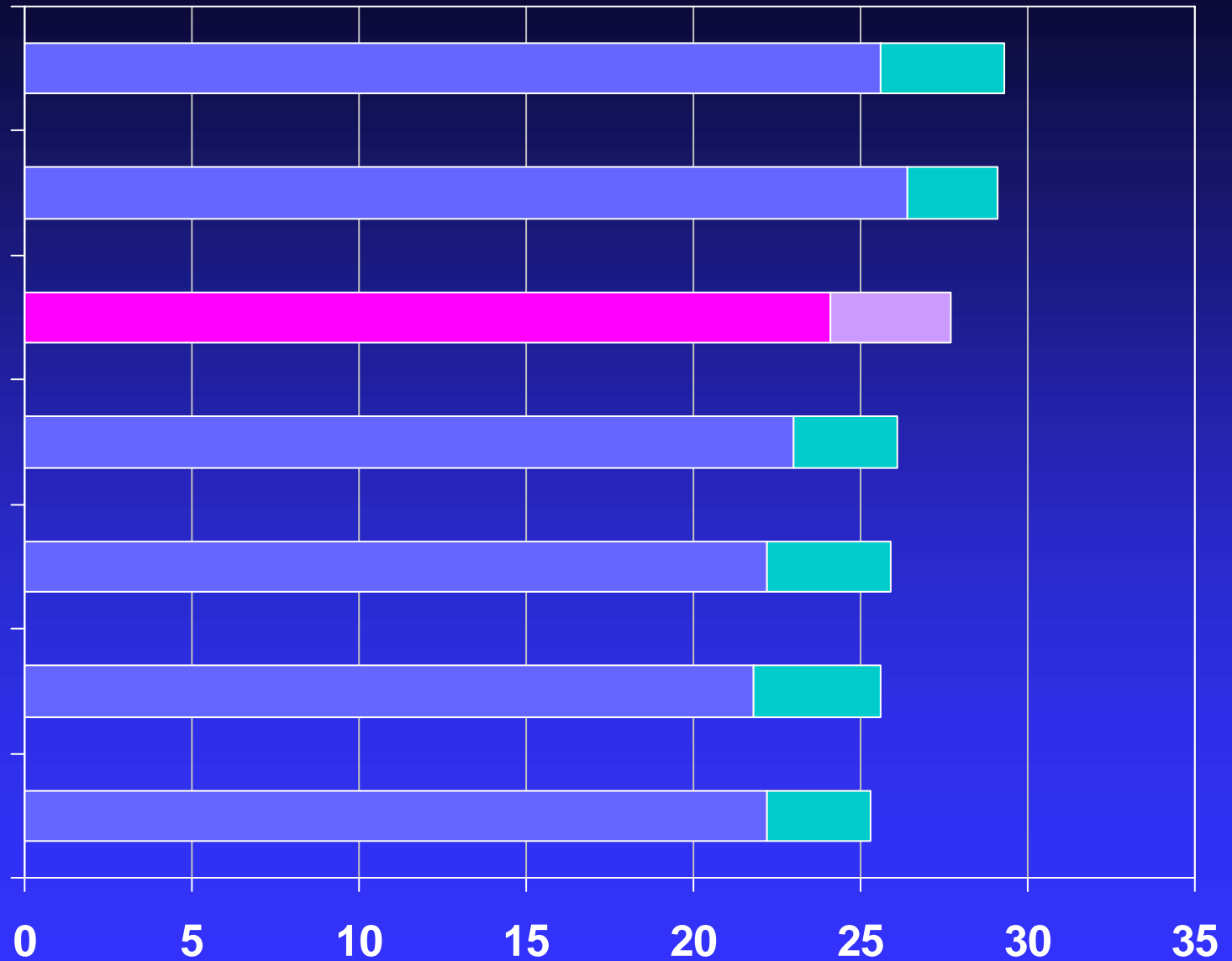
Seattle

Phoenix

Denver

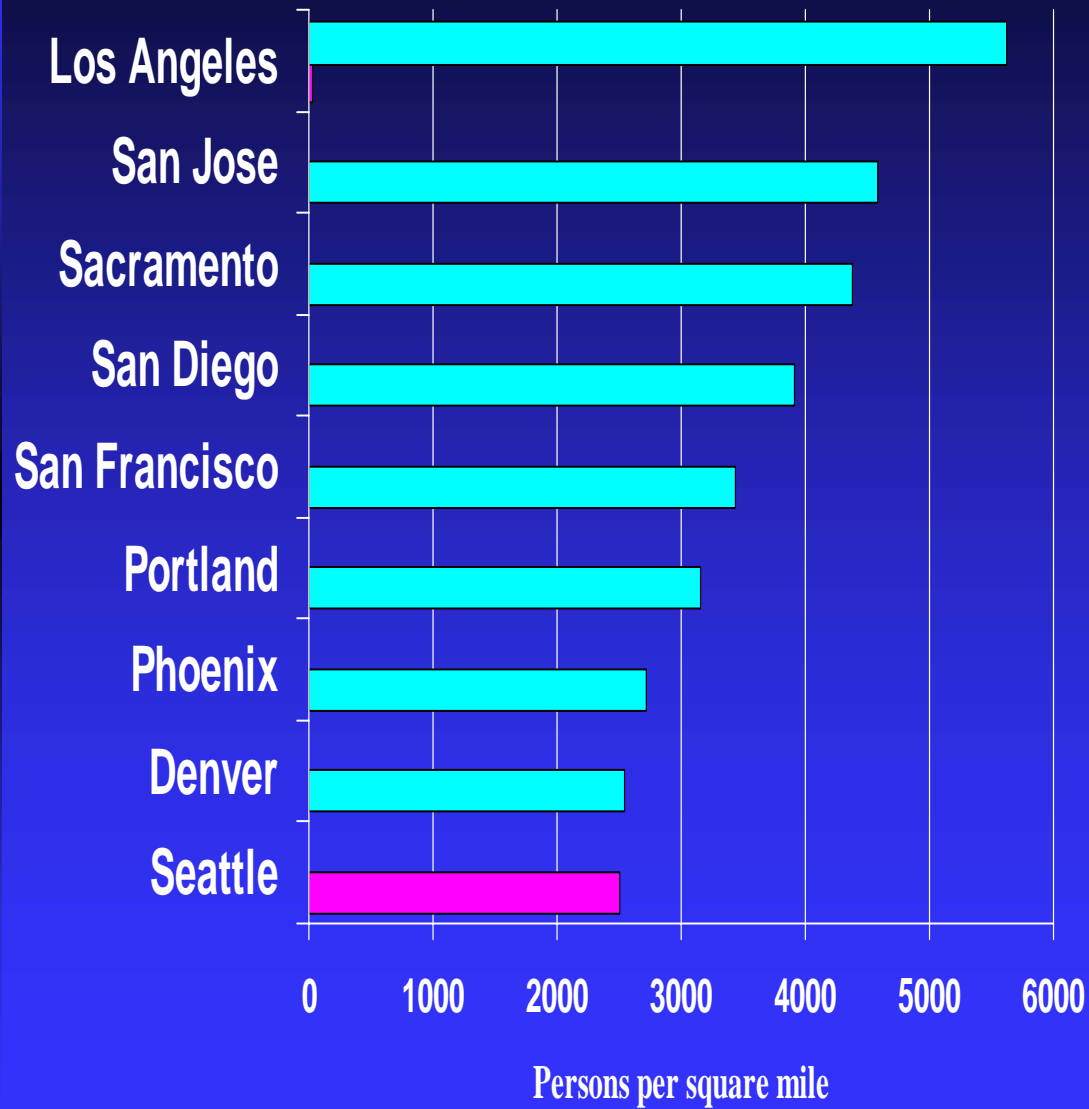
Sacramento

San Diego

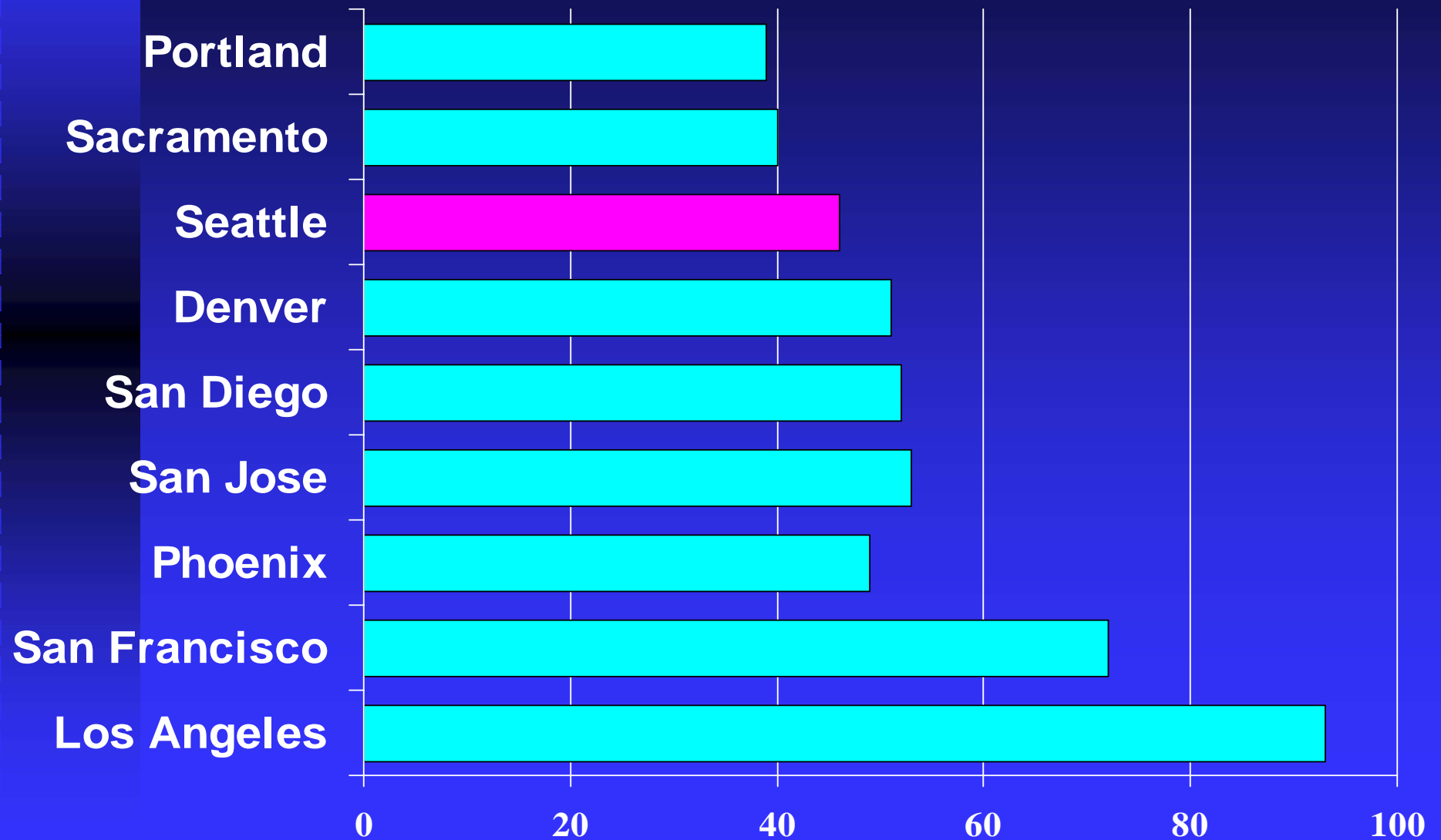


□ 1990 Travel Time (minutes) □ Change in travel time, 1990-2000 (minutes)

Density ~ Urbanized Areas



Congestion – Hours of Delay

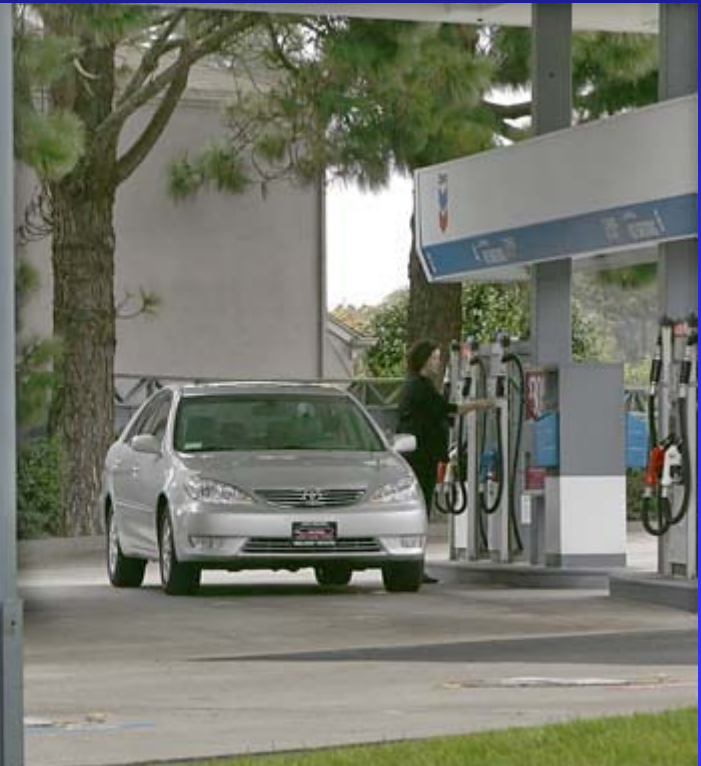


Sticker Shock at the Pump



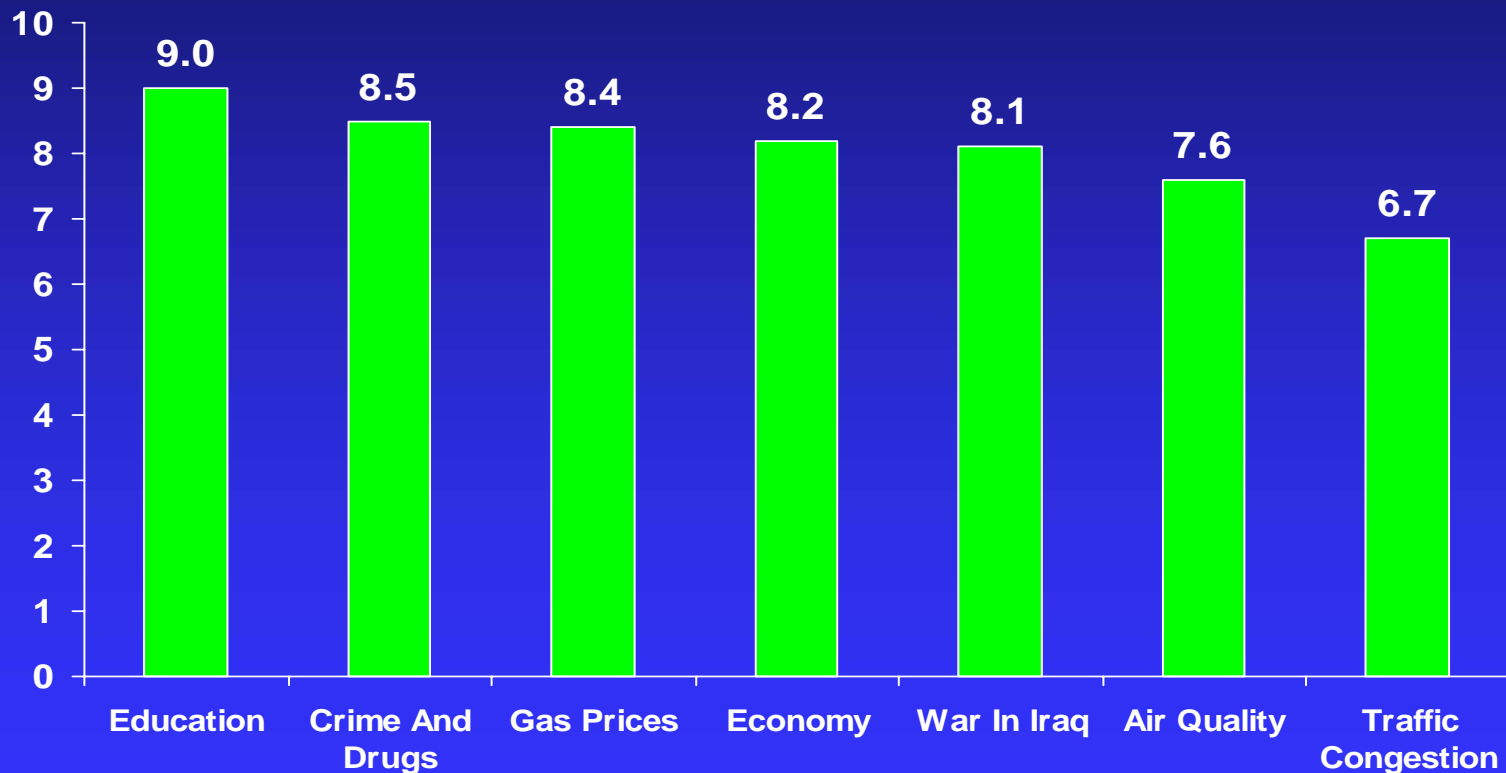
CHEVRON Gasoline
Self Serve

315	$\frac{9}{10}$
REGULAR UNLEADED	
319	$\frac{9}{10}$
PLUS UNLEADED	
329	$\frac{9}{10}$
SUPREME UNLEADED	



AP / Jeff Chiu, File

Gas prices are seen as one of the top three issues of concern among Americans.

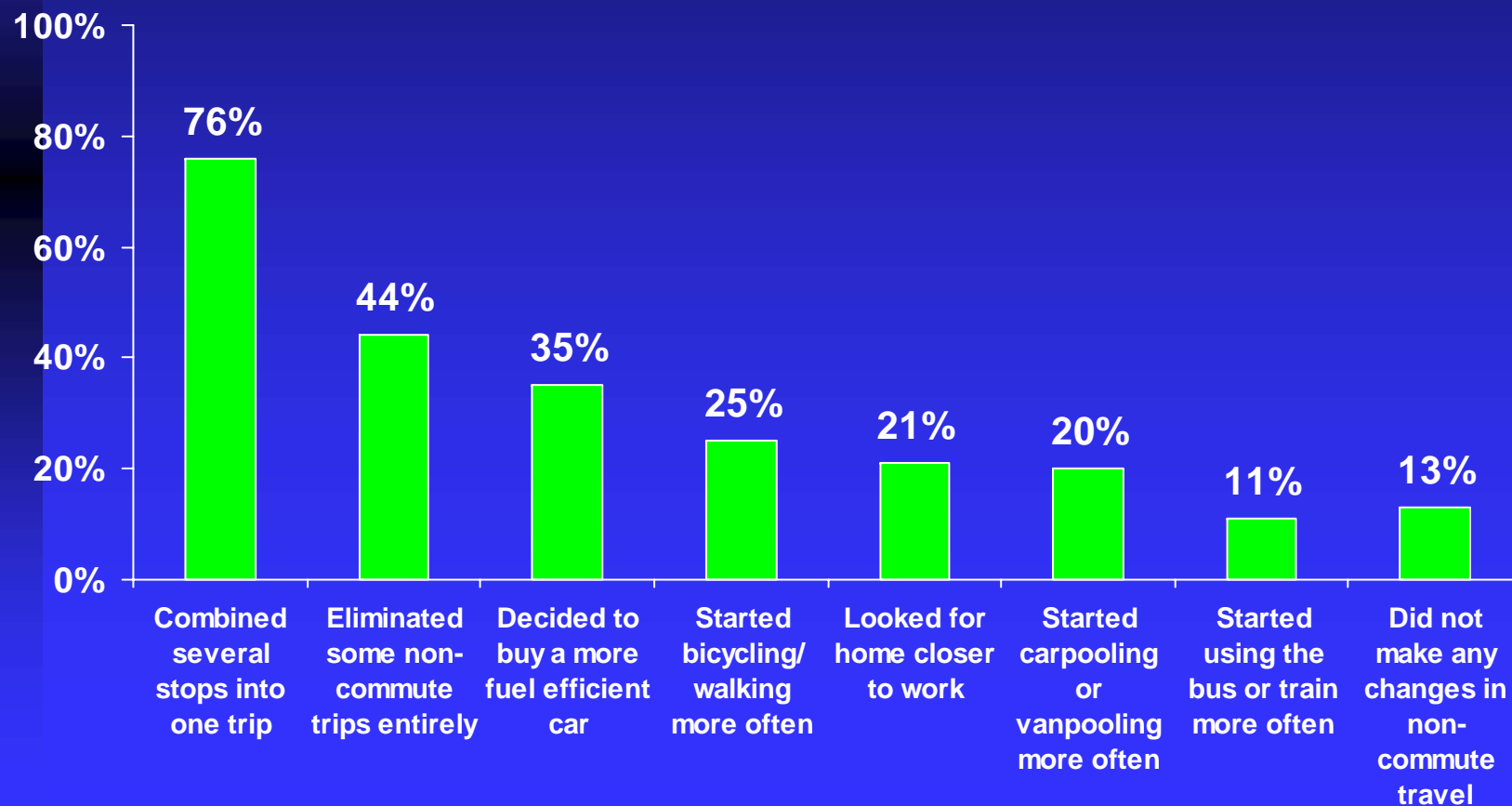


Q. I'm going to read you a list of different issues relating to quality of life. Please tell me how important or serious you feel each issue is, using a scale of 1 to 10, where a "1" means it is not at all important or not at all serious and a "10" means it is very important or very serious.

ULI Survey Fall 2005 – Harris Interactive

Fully 87% indicate making a change in their commute and non-commute behavior due to rising gasoline prices. The most common change was combining several stops in one trip.

Q. Has the rising cost of gasoline caused you to change your commuting and non-commuting trips by any of the following means?



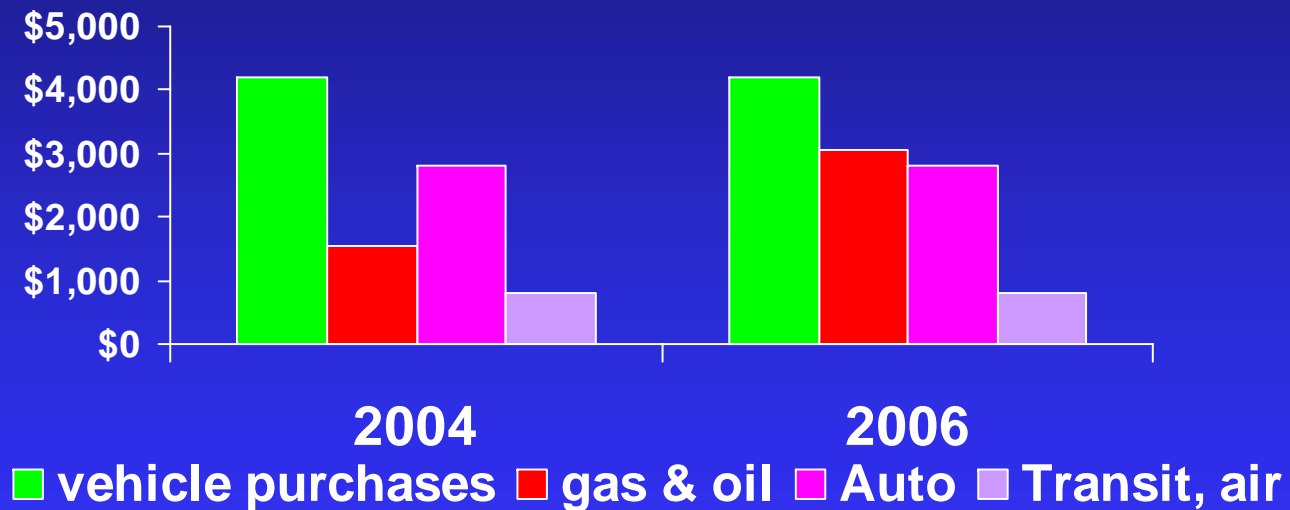
Residents of the South, Midwest and West are more likely to state they have *decided to buy a more fuel efficient car* due to rising gas prices. Those the East are more likely to say they haven't made any changes based on gas prices.

Q. Has the rising cost of gasoline caused you to change your commuting and non-commuting trips by any of the following means?

	East	South	Midwest	West
Combined several stops into one trip	71%	78%	75%	77%
Eliminated some non-commute trips entirely	36%	53%	43%	39%
Decided to purchase a more fuel-efficient car	24%	35%	38%	43%
Started bicycling or walking more often	23%	21%	25%	35%
Looked for a home closer to work	16%	22%	16%	30%
Started car pooling/van pooling more often	18%	26%	17%	15%
Started using the bus or train more often	14%	10%	7%	13%
Did not make any changes	19%	12%	14%	9%

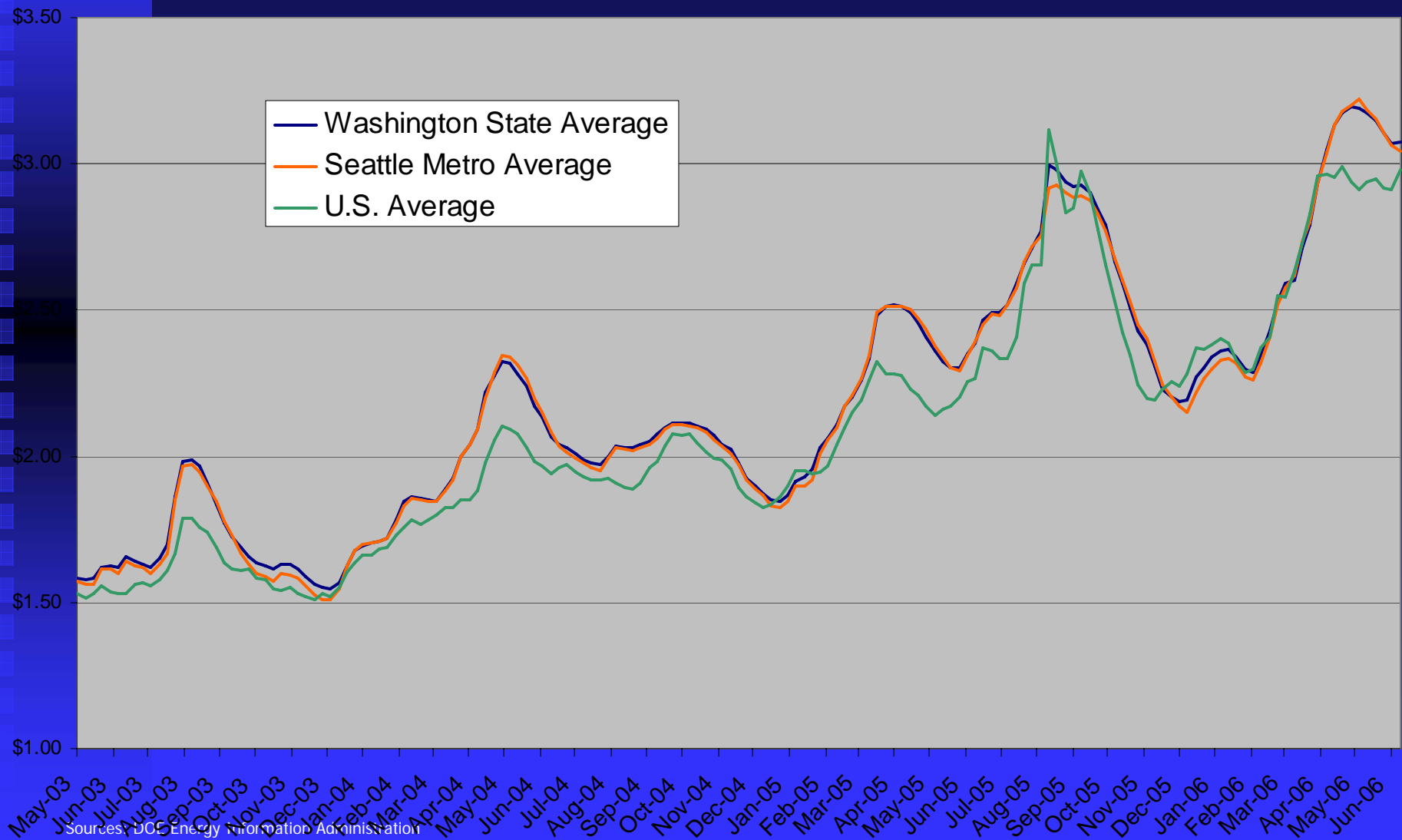
Consumer Spending - Seattle

Doubling price of gas costs average household \$125 a month, not counting other increases



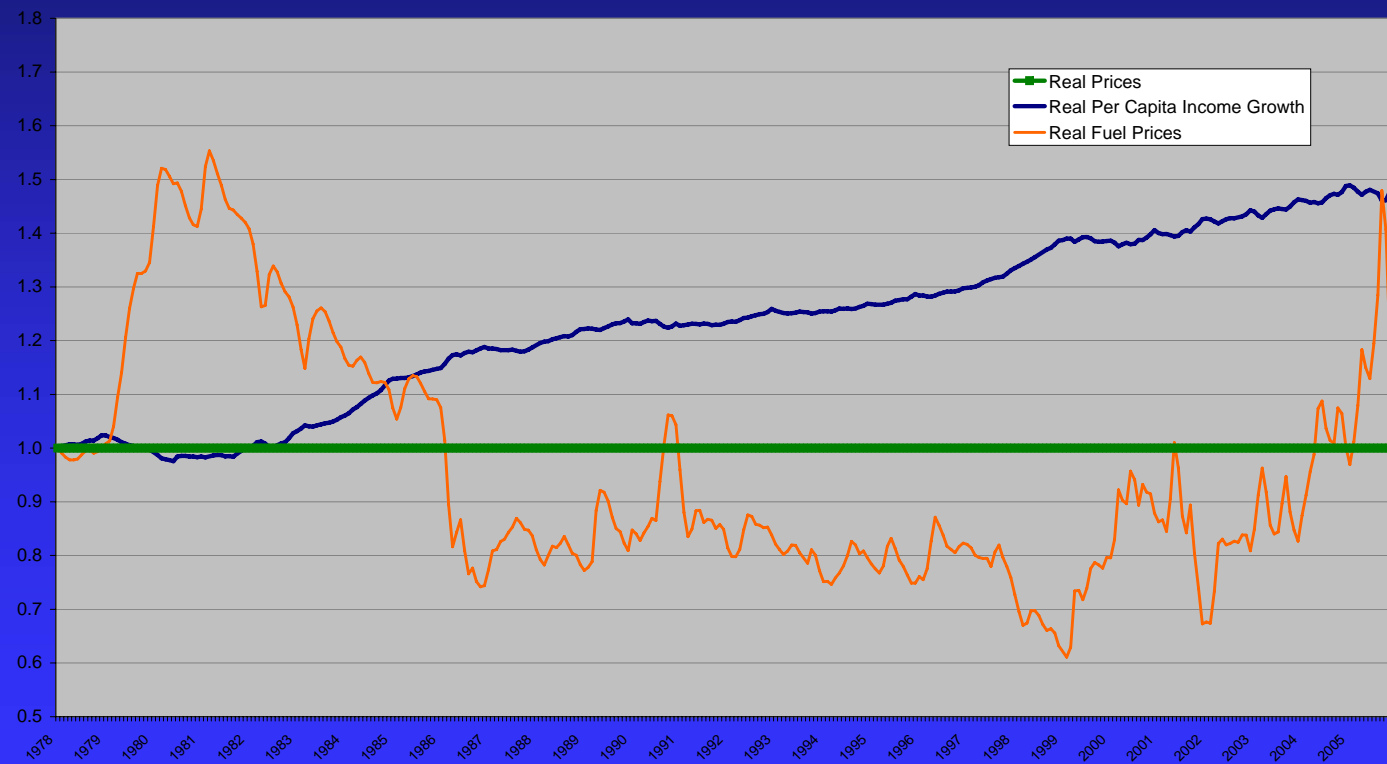
Fuel Prices and Income – 1978 Dollars

Energy Cost Impact on Transportation –
Transportation Policy Board *July 2006*



Fuel Prices and Income

Fuel Prices and Income: Indexed to 1978 Values



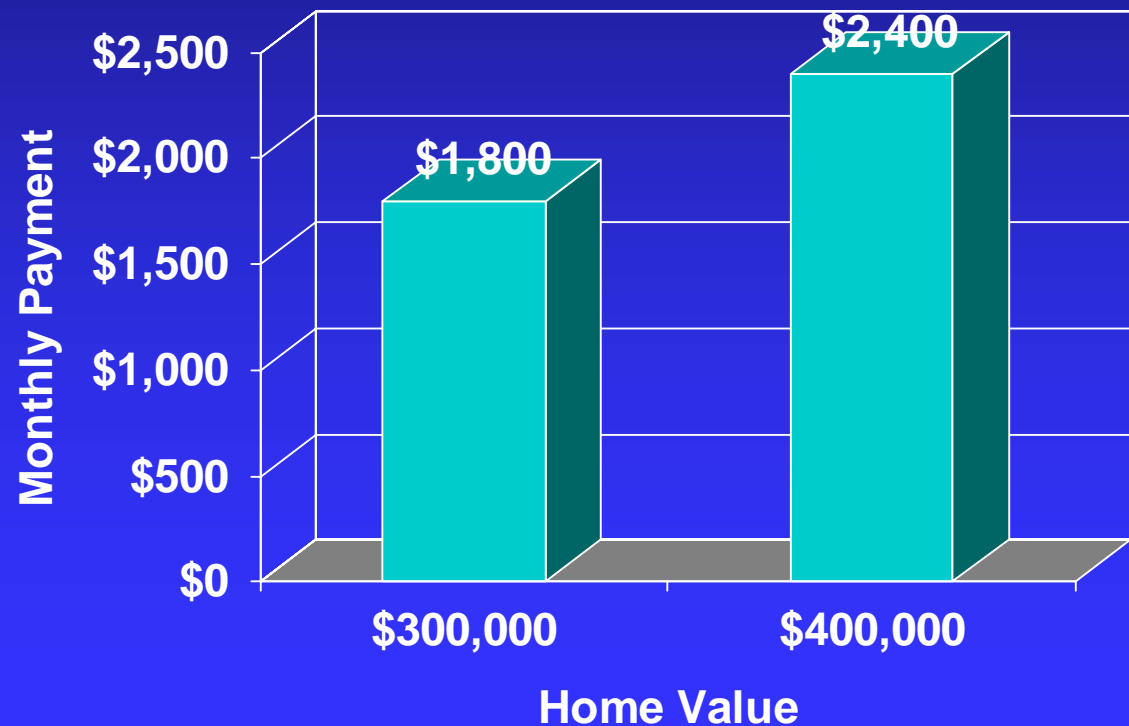
Impacts on Driving

- 100% increase in fuel price ~20% less fuel consumption, in the short-run...
- ...long-run consumption might drop by ~50%
- Response also influenced by rising incomes and other price changes
- Fleet fuel efficiency changes over time

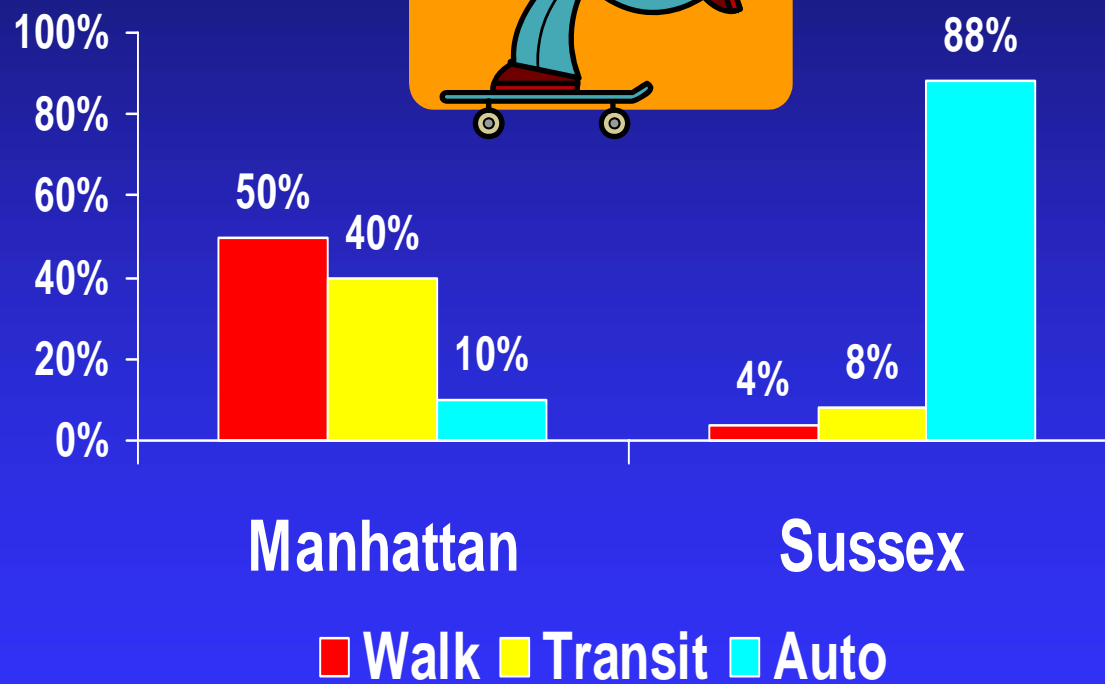
More Home or More Cars?

Higher car payments also.

At 6% APR, \$500 a month is almost the difference between a \$300,000 home and a \$400,000 home.



Active Living, Active Places



If you build it they will walk

■ Places to Walk

- ◆ Compact
- ◆ Interesting Destinations
- ◆ Streetscape
- ◆ Sidewalks



Sprawl

San Francisco

Denver

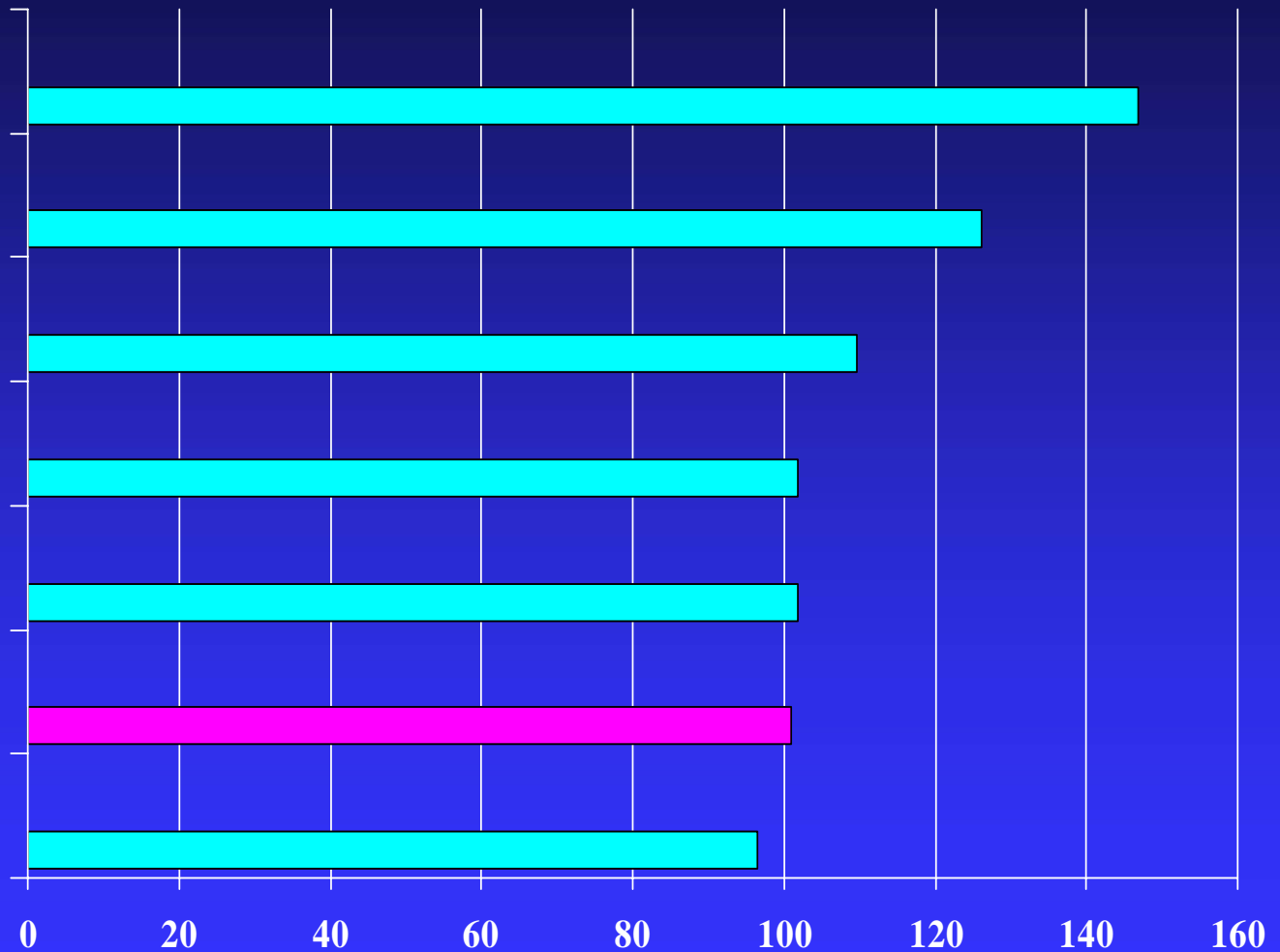
San Jose

San Diego

Los Angeles

Seattle

Orlando

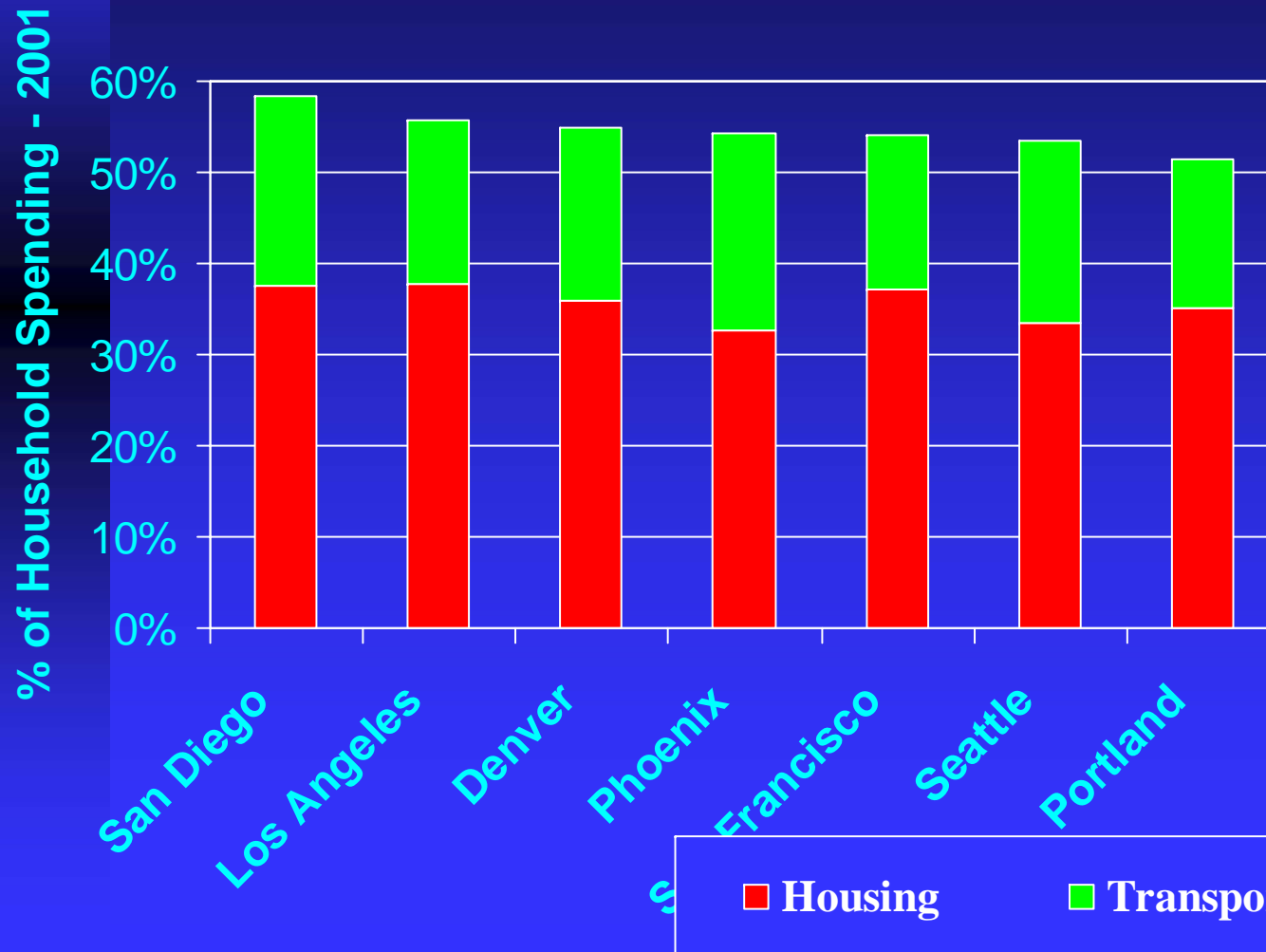


Smart Growth America

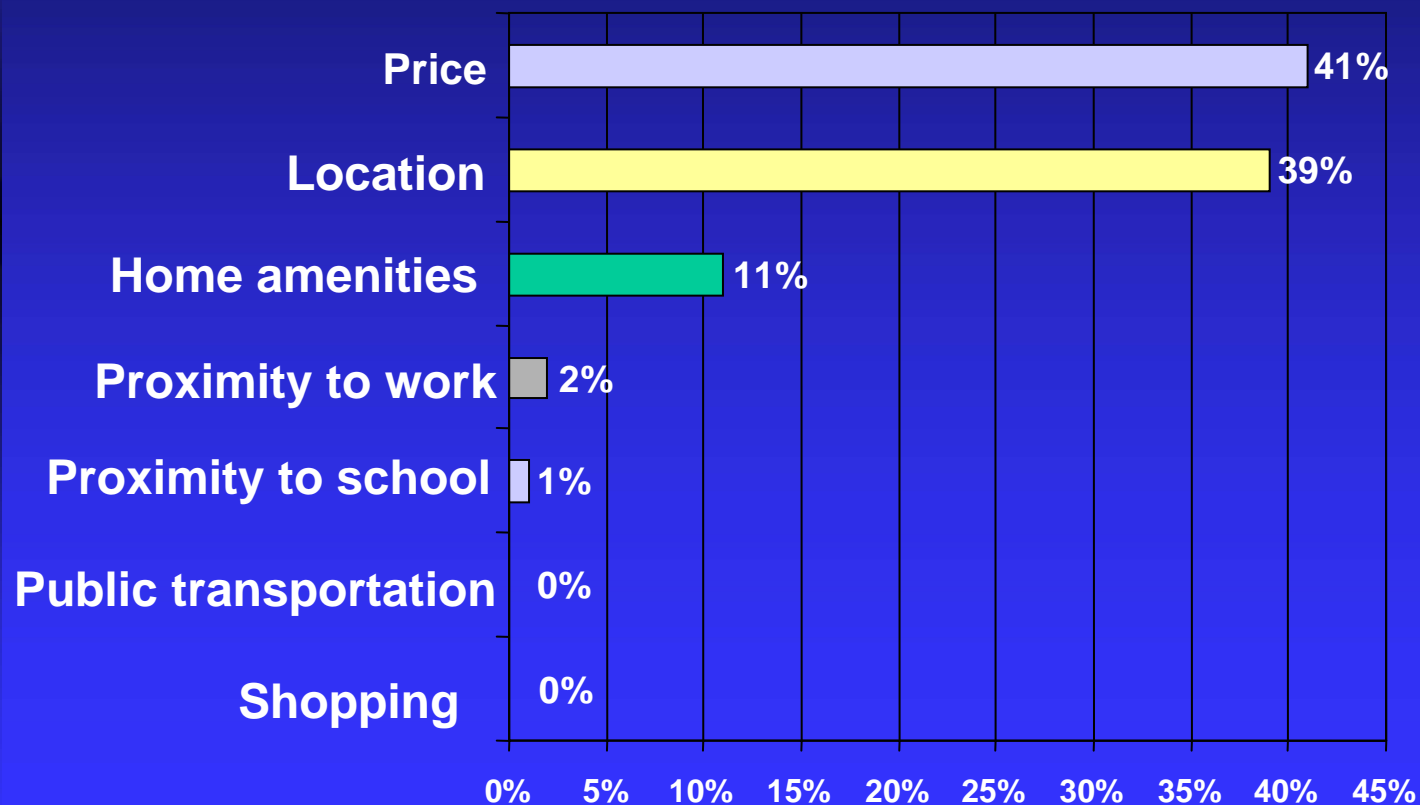
Affordability - Home and Transport

Seattle more affordable

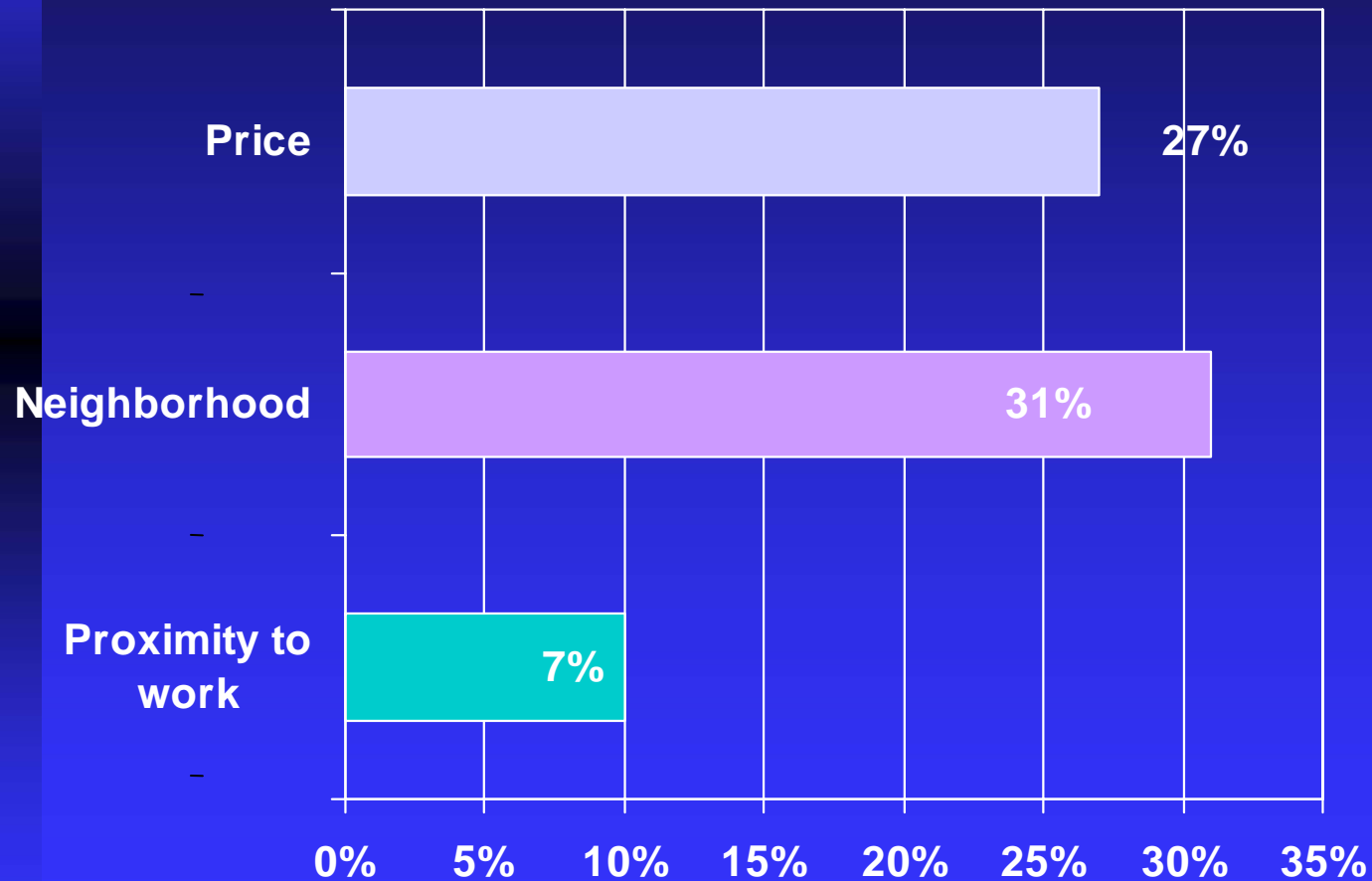
Link housing and transport



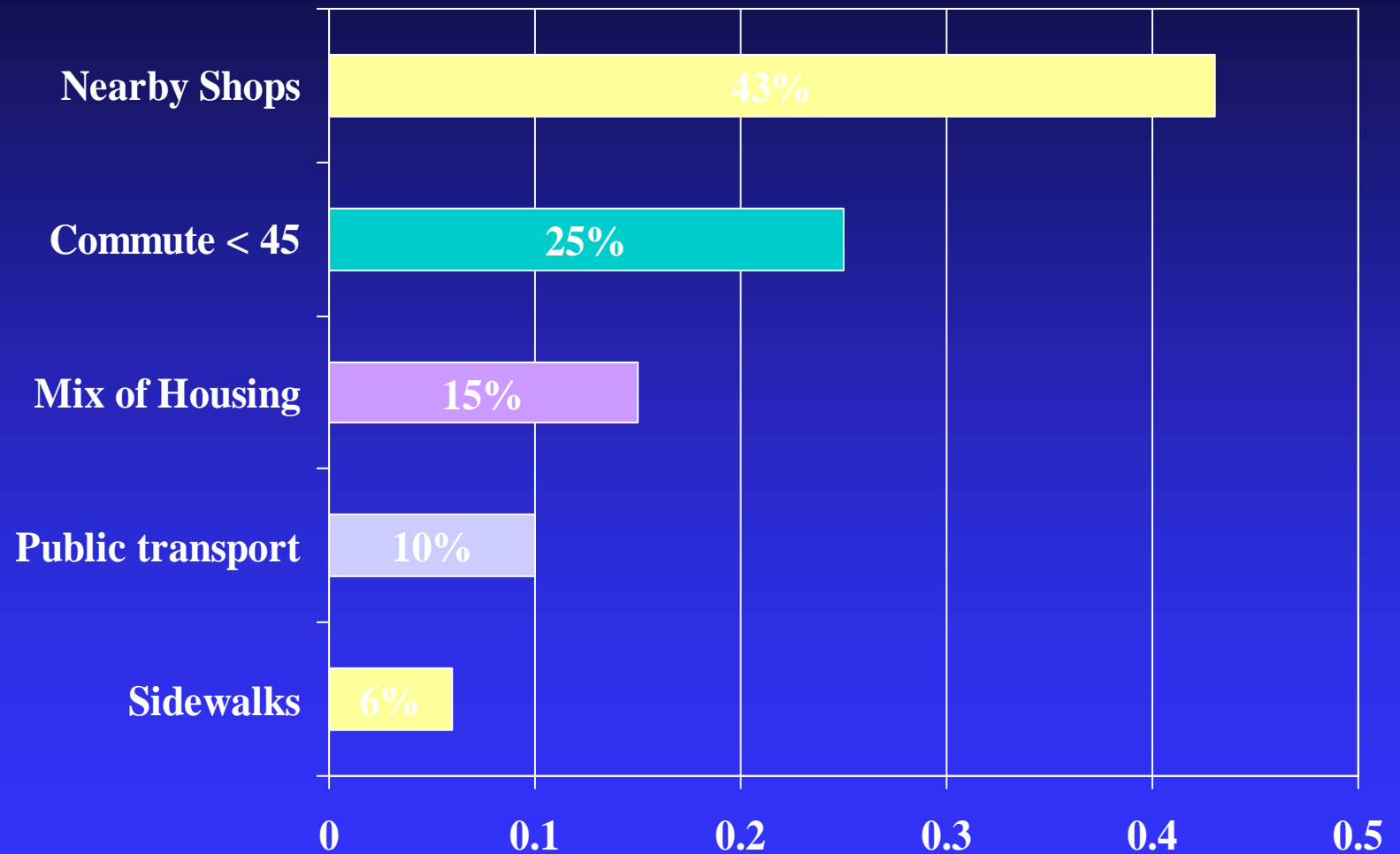
US Home Buyers: Most Important Factors



Sweet Home Seattle: Most Important Factors

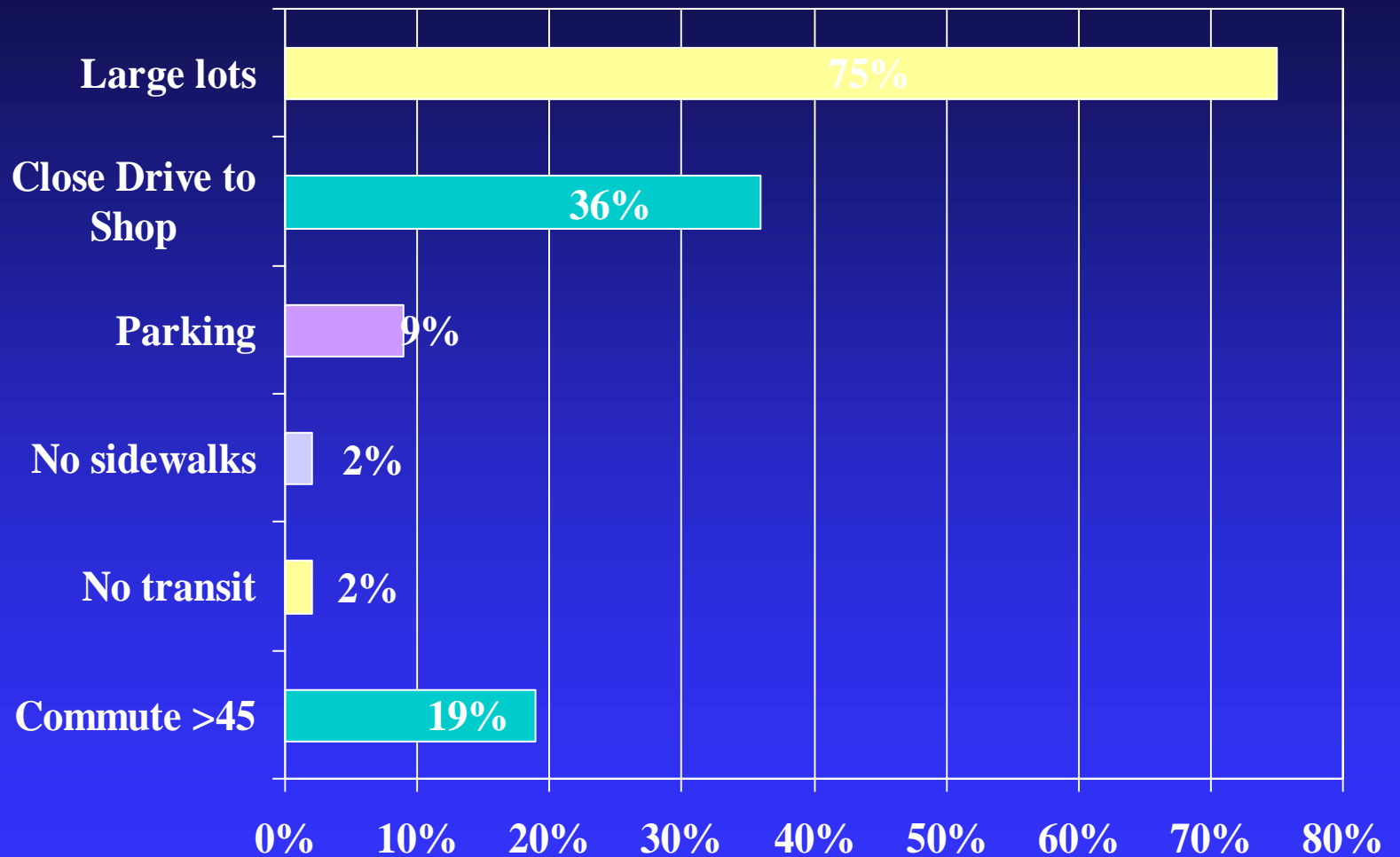


Smart Growth Community Appeal –55%



Source: 2004 American Community Survey, Smart Growth America and National Association of Realtors

Sprawl Community Appeal – 45%

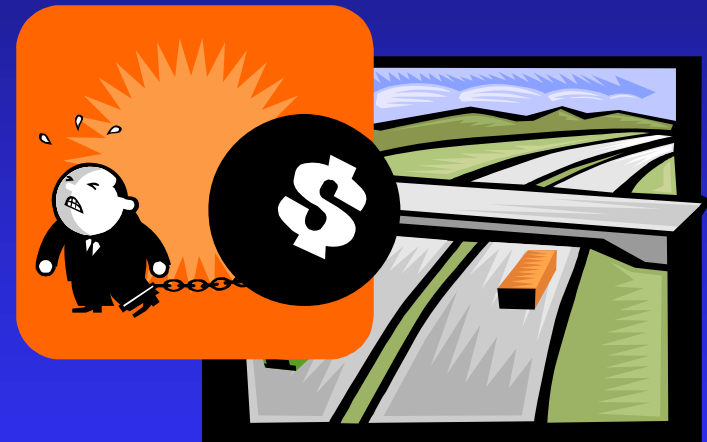


Traffic Congestion, Transport, and the Home Buyer

- Help Consumers do “right thing”
- Make close easier (*cheaper..*)
- Make far harder

Infrastructure

- Capacity < Demand
- Capacity > Demand
- Capacity = Demand

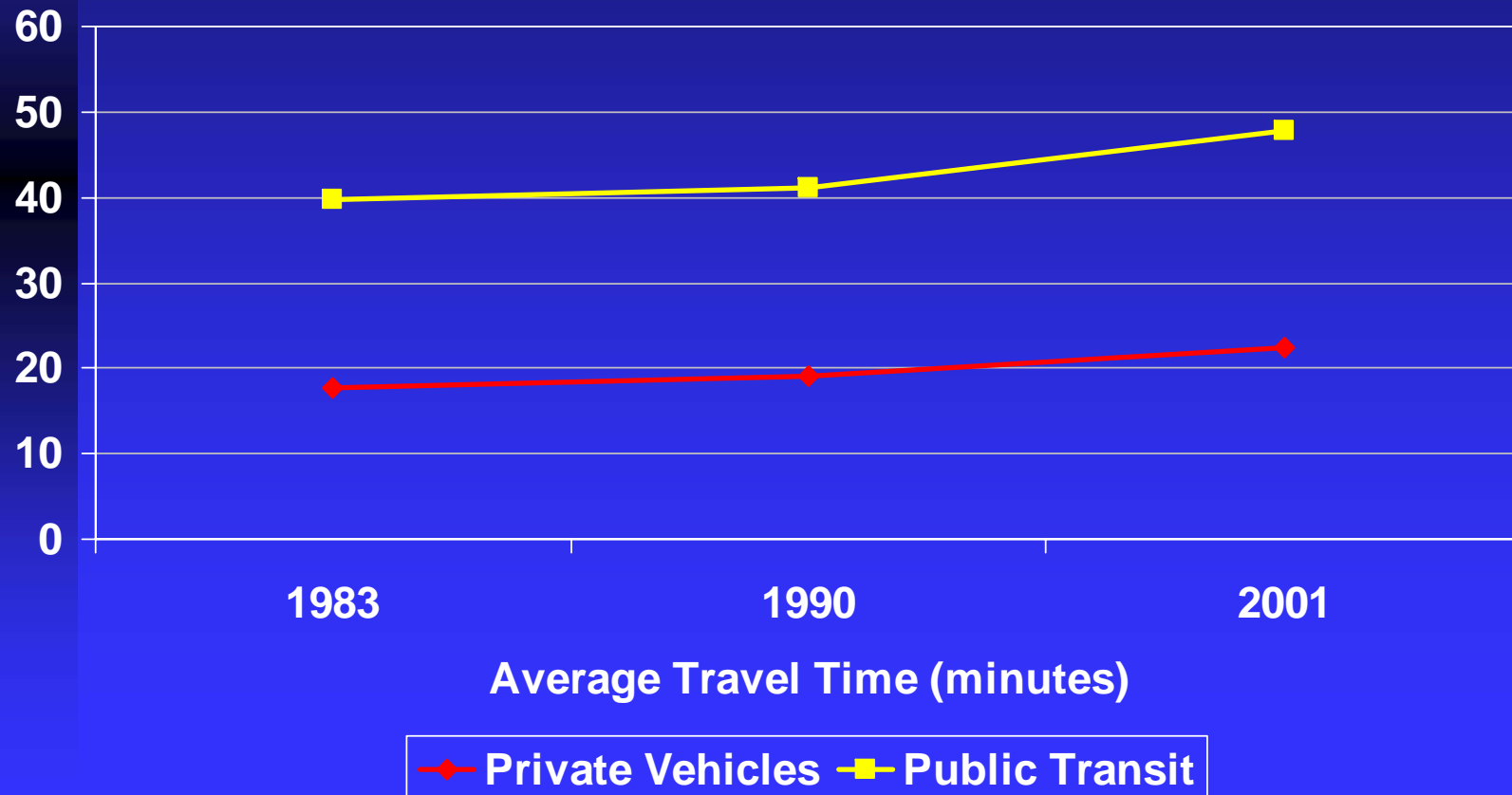


Inconvenient Facts About Driving

- Easier
- Cheaper

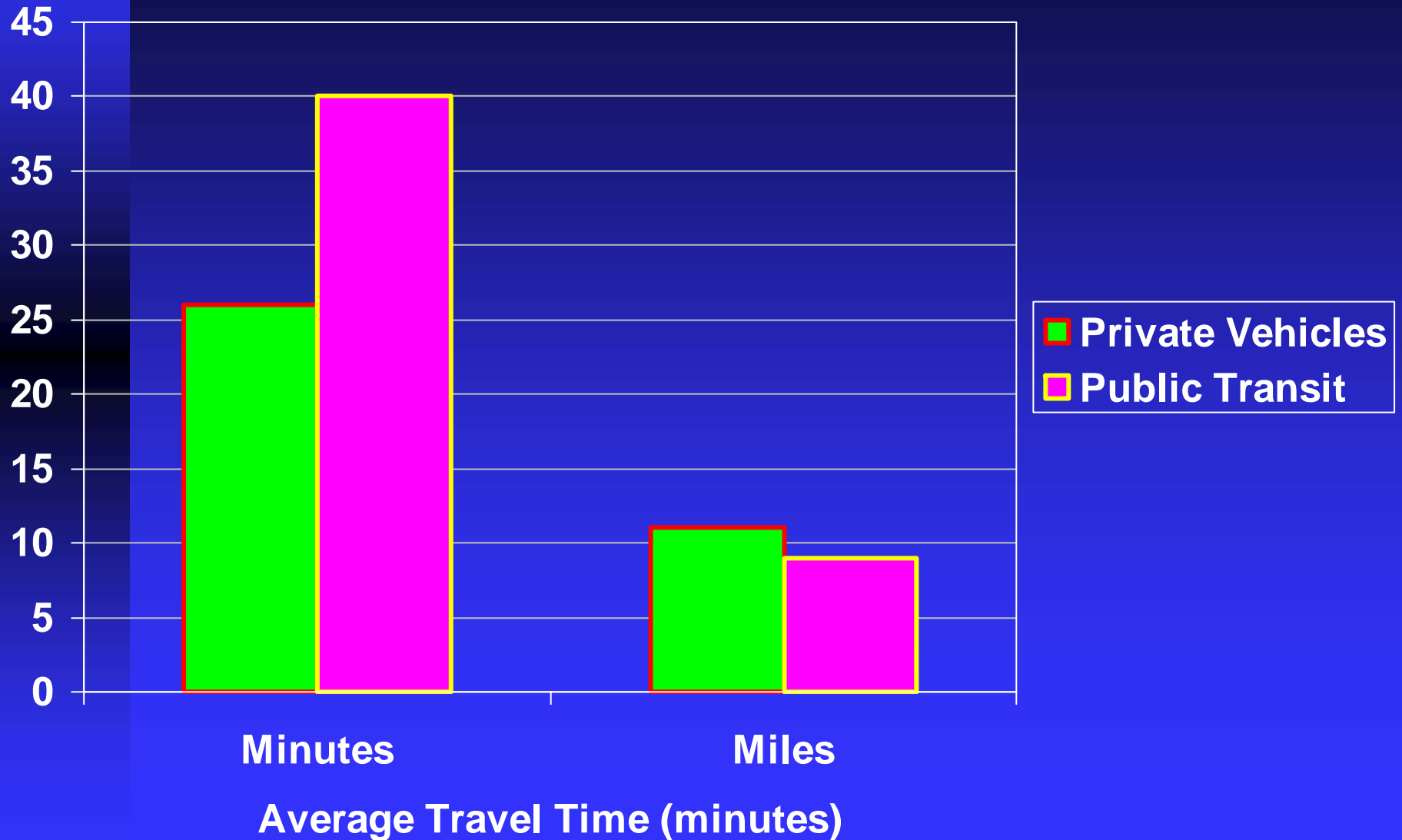


U.S. Commuting - Transit takes longer



2001 National Household Travel Survey

Seattle Region Commutes



2001 National Household Travel Survey

Transportation Costs – US



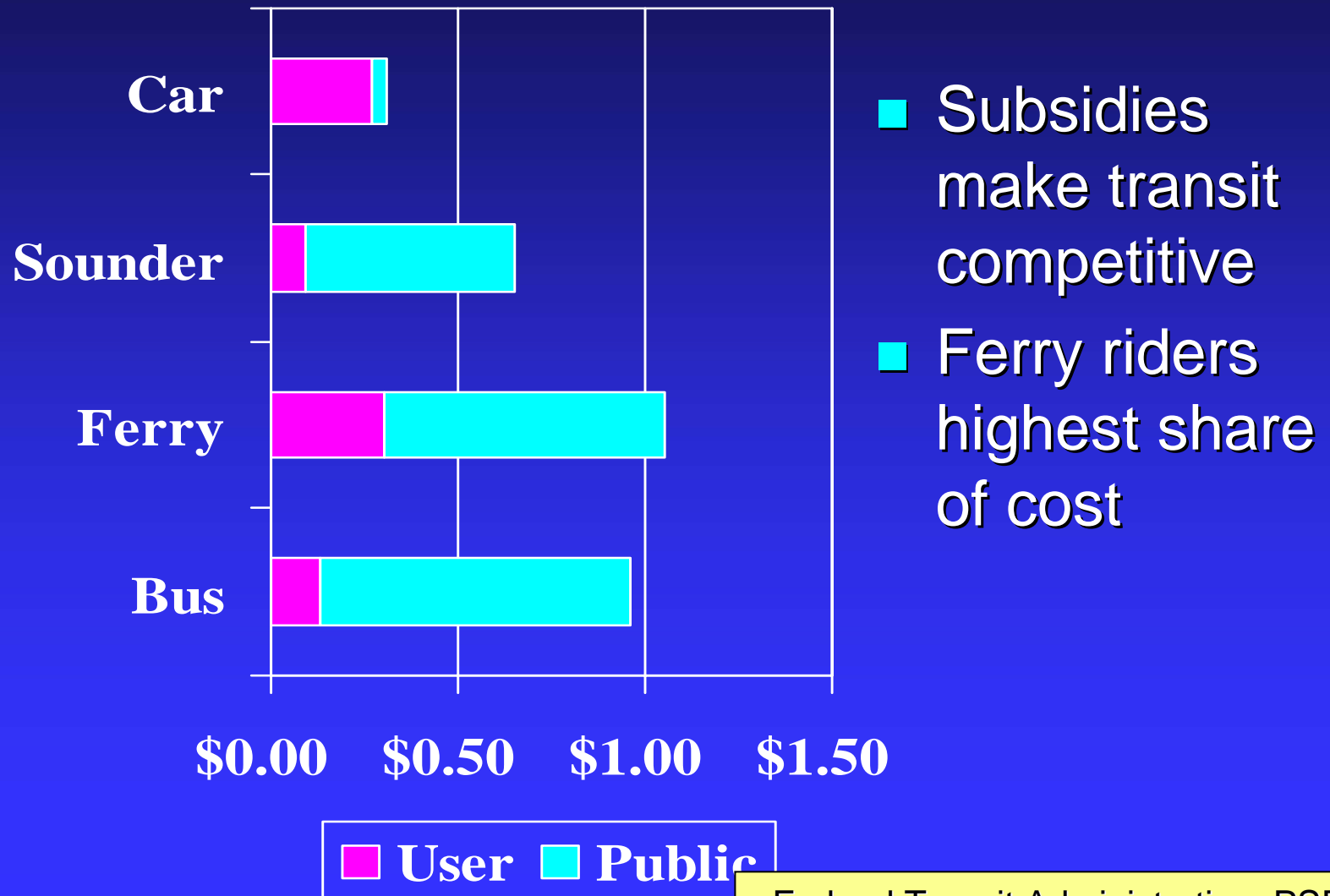
- Higher Capacity Modes ~ Lower Costs
- Driving Still Cheap

Transportation Costs- Seattle



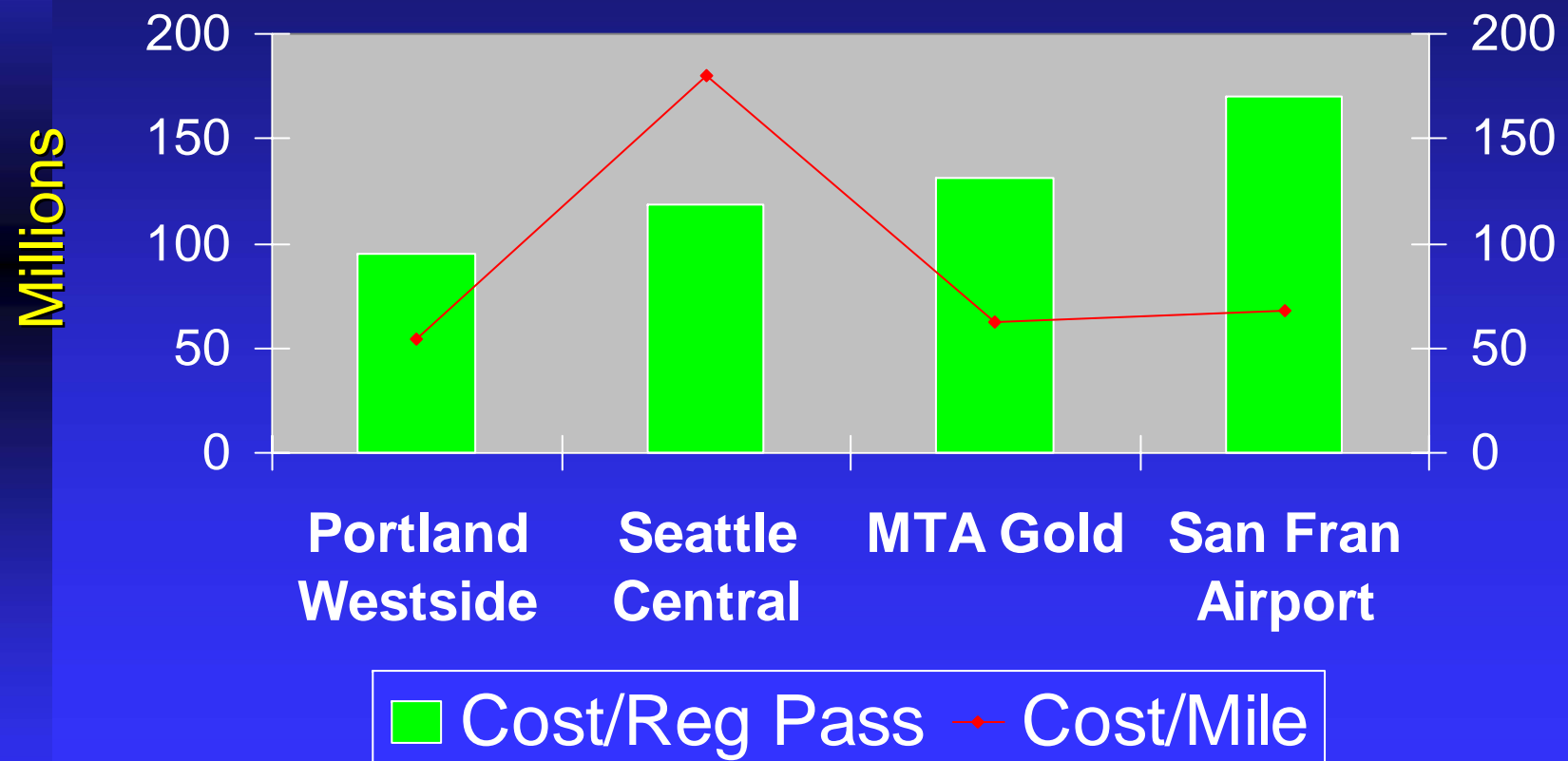
—Federal Transit Administration, PSRC

Who Pays? – Seattle



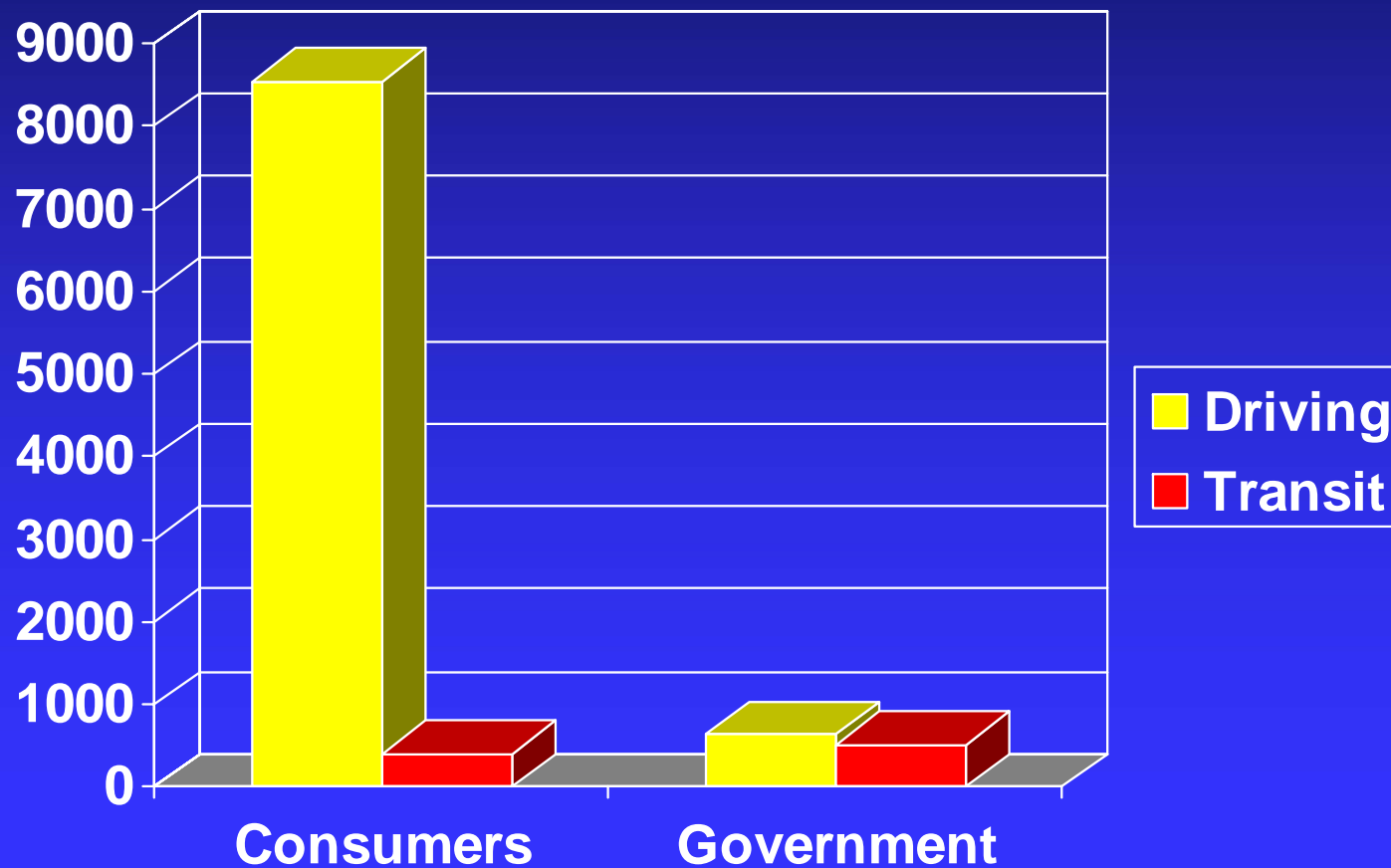
–Federal Transit Administration, PSRC

Transit Lines are Expensive



Transportation Spending in Puget Sound - Public vs. Private

Consumer Expenditures Survey, PSRC



Transport Friendly Development

- Choices
- Convenience
- Cost
- Congestion?

Remaking the Image of Transit

- ◆ Ride/Comfort
- ◆ Shelter
- ◆ Connections
- ◆ Speed/Reliability
- ◆ Information



MS 101



Being there: Best Transportation solution

- Choices
- Transit close
- Short drive



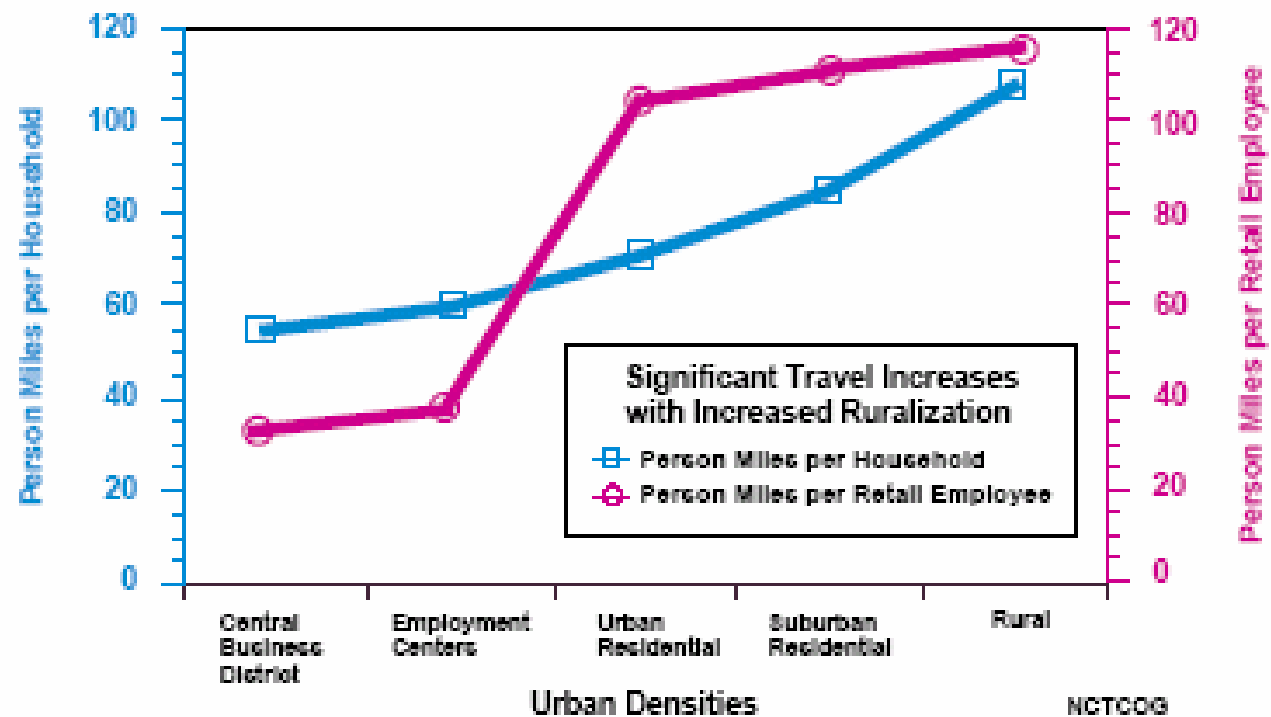
Transportation Friendly Development

- Priority on existing places, rather than bringing choices to new places
 - ◆ Compact development
 - ◆ Mix of uses
 - ◆ Connections
 - ◆ Location
 - ◆ Transit

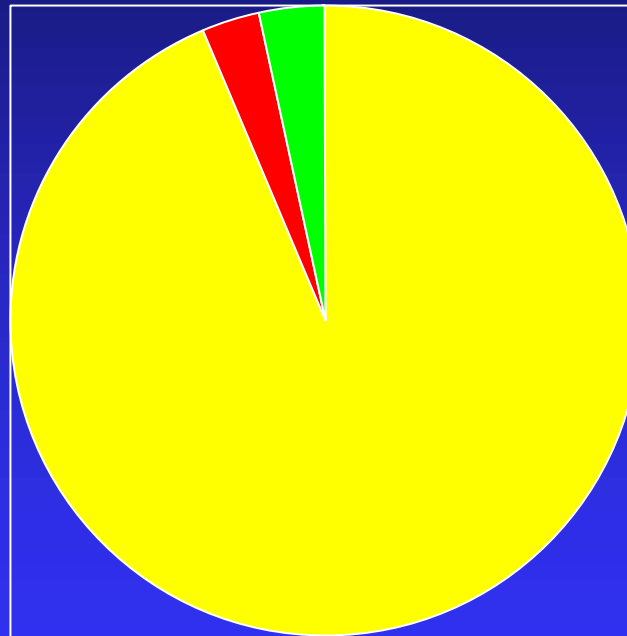


Urban Residents Drive Less

Dallas-Fort Worth Regional Travel Characteristics



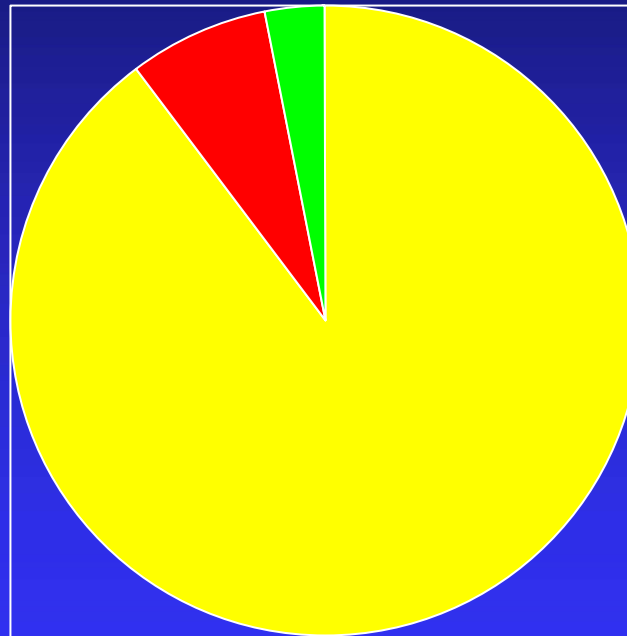
Transportation Friendly Development –the Right Niche



■ Drive ■ Transit ■ Walk/Bike

Seattle Region – All Trips

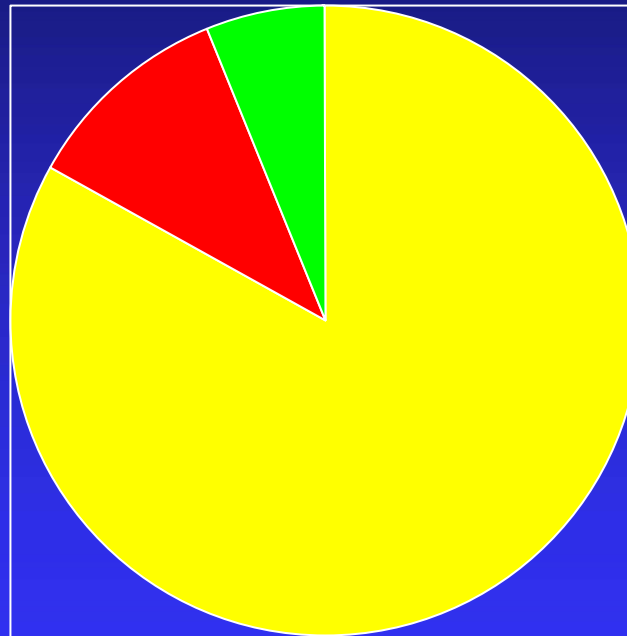
Transportation Friendly Development –the Right Niche



■ Drive ■ Transit ■ Walk/Bike

Seattle Region – Commuting

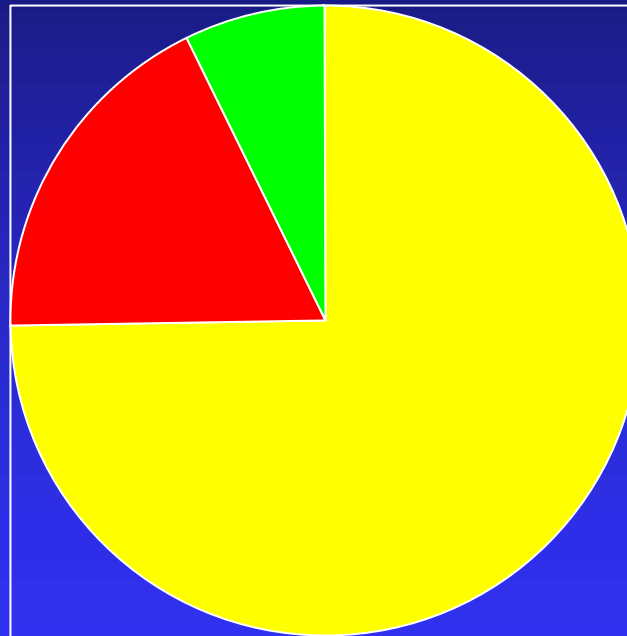
Transportation Friendly Development –the Right Niche



■ Drive ■ Transit ■ Walk/Bike

Navy Yard City - Commuting

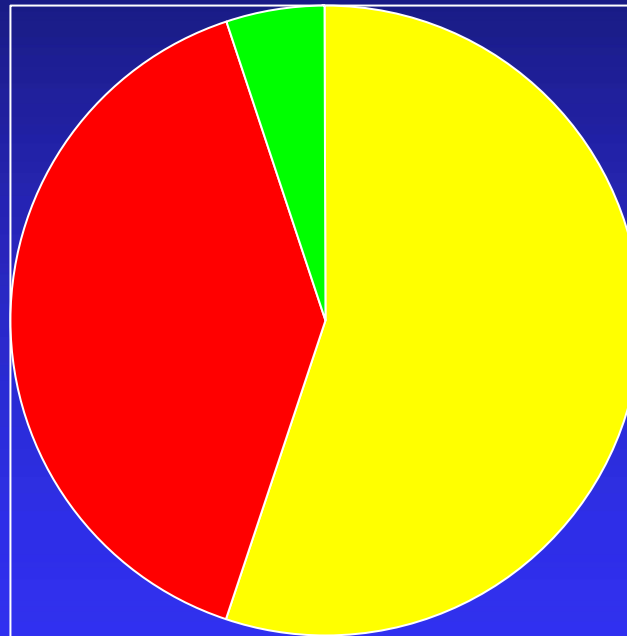
Transportation Friendly Development –the Right Niche



■ Drive ■ Transit ■ Walk/Bike

Seattle – Commuting by Residents

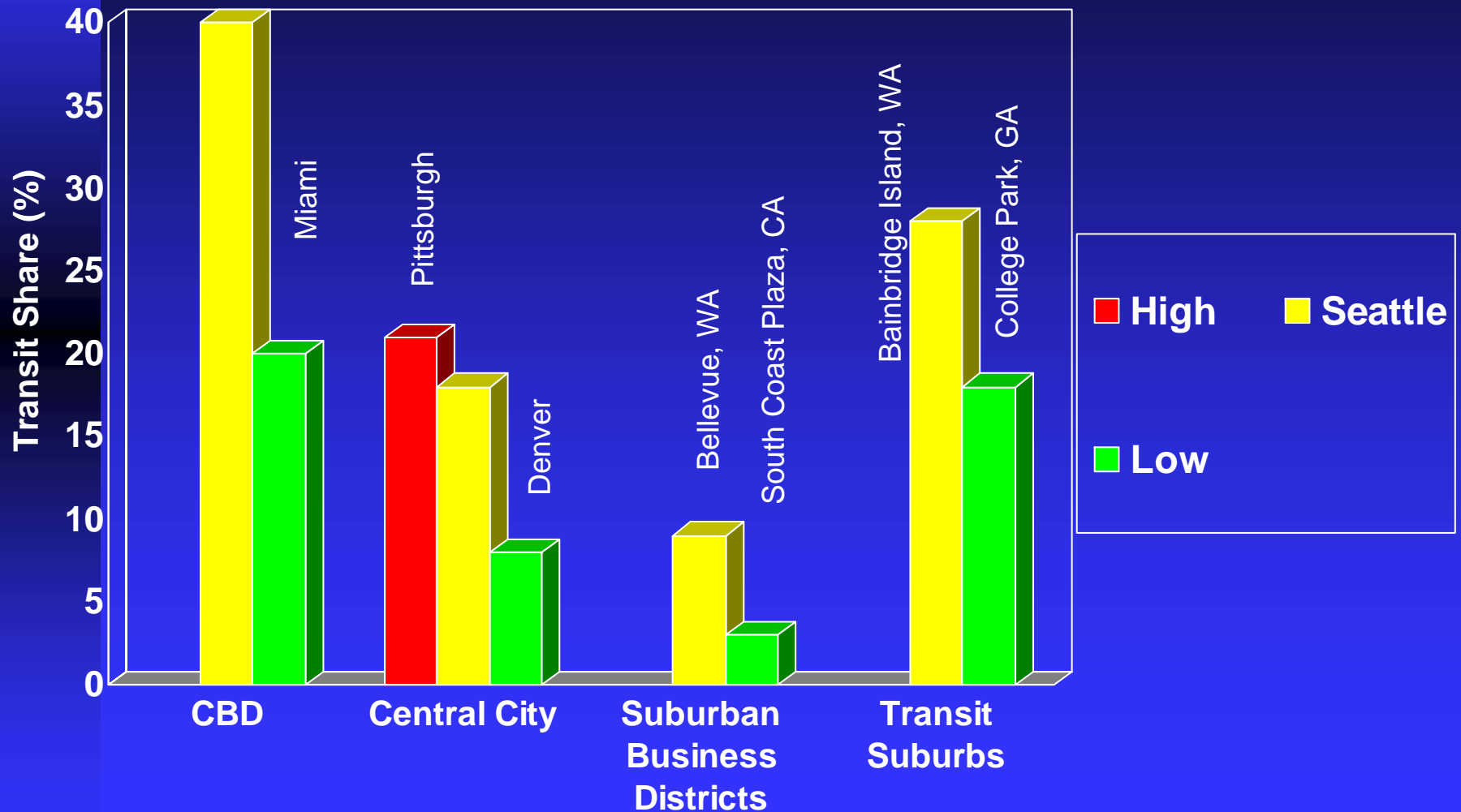
Transportation Friendly Development –the Right Niche



■ Drive ■ Transit ■ Walk/Bike

Commuting to Seattle CBD

Transit Niches

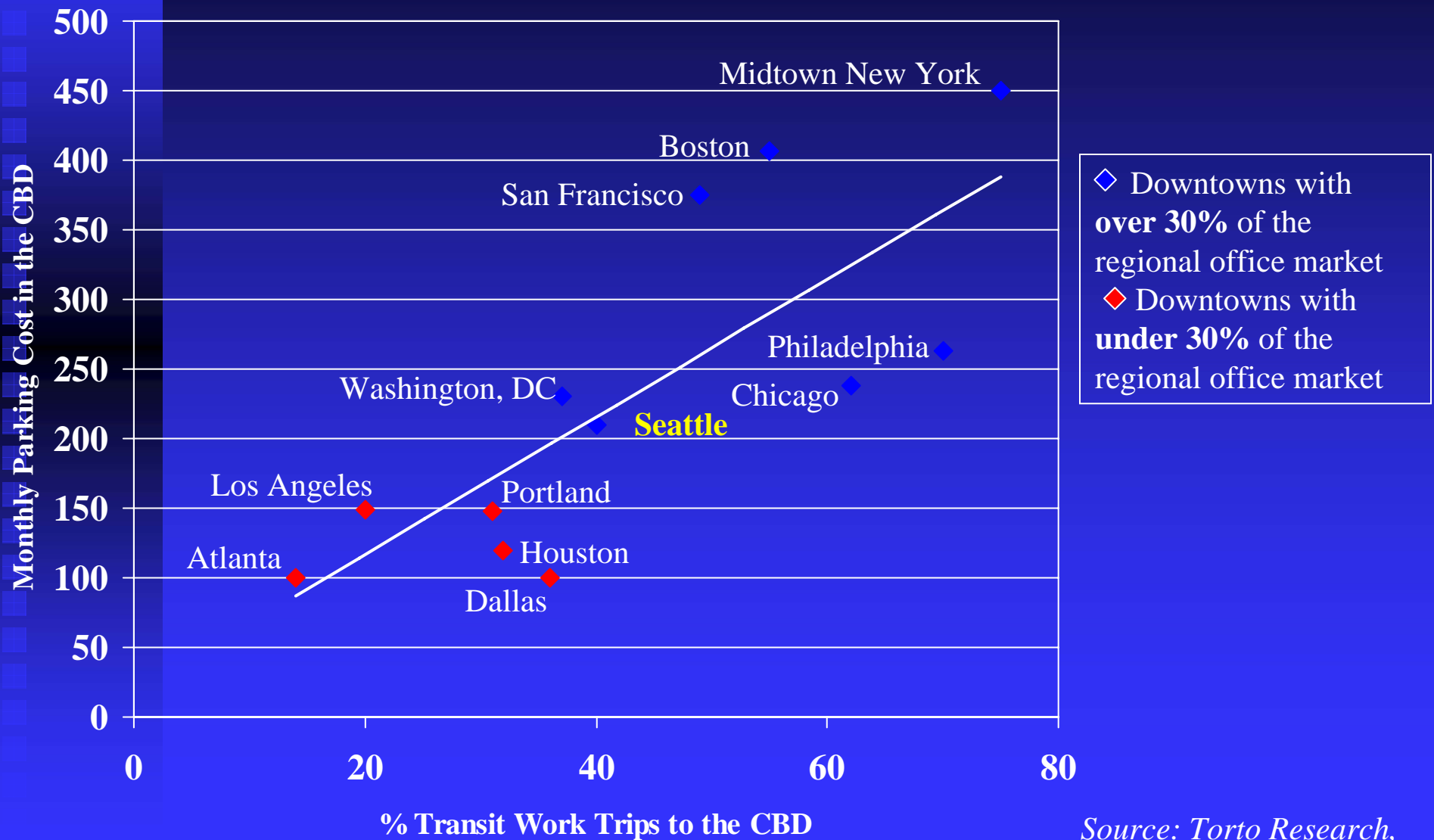


Sources: U.S. Census and Metropolitan Planning Organizations Survey Data

Downtowns – Many Choices



Transit Share and Parking Costs in Largest Downtown Office Markets, 2000



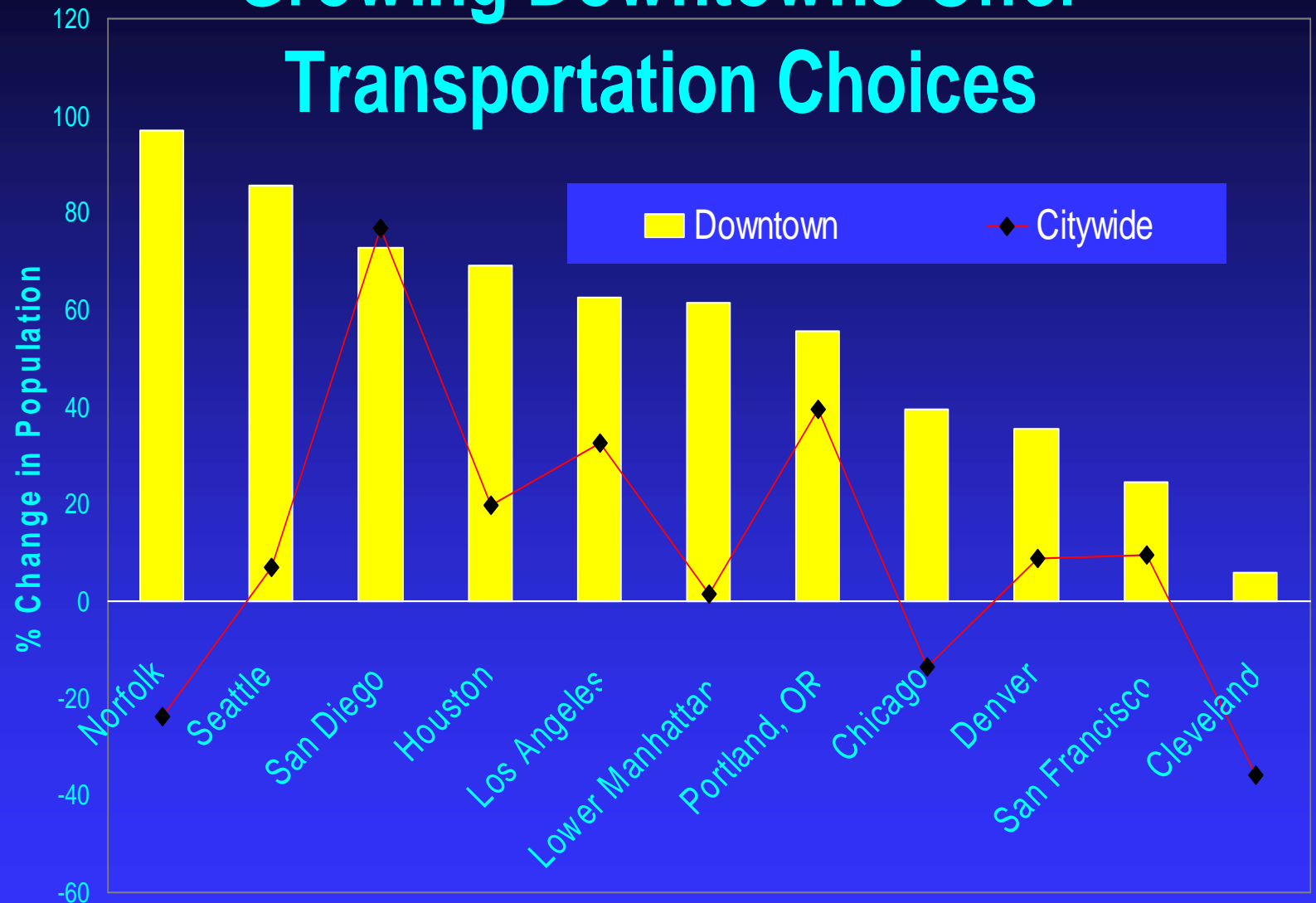
Source: Torto Research,
U.S. Census, PR Newswire

16th Street Mall - Denver

- Decaying CBD street
- Pedestrian – transit mall
- Frequent service, terminal
- Commuter parking
- 59,000 daily riders
- Links to Light Rail



Growing Downtowns Offer Transportation Choices

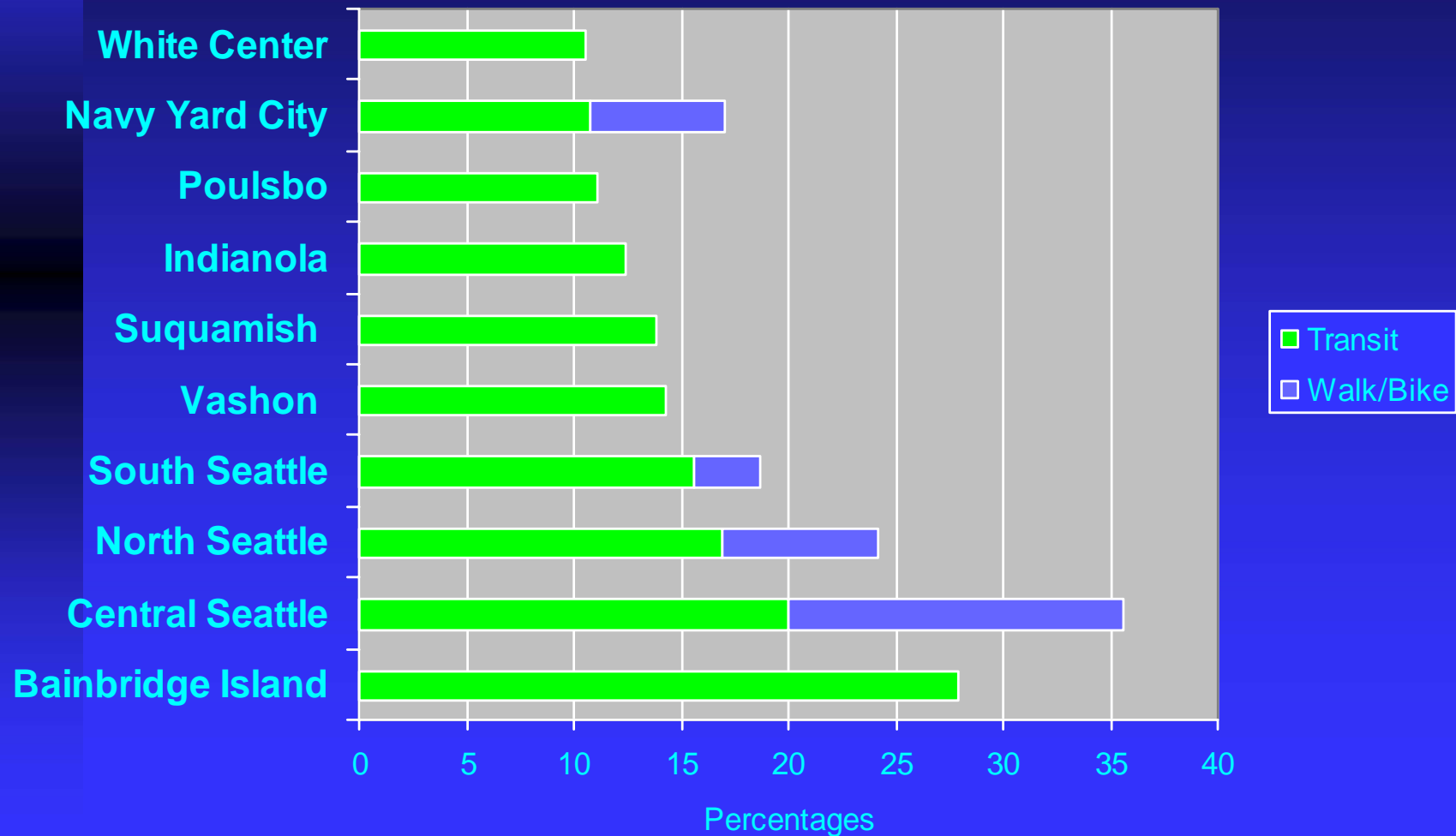


Source: Eugenie L. Birch "Who Lives Downtown?", Brookings, 1970-2000 US Census

Urban Neighborhoods

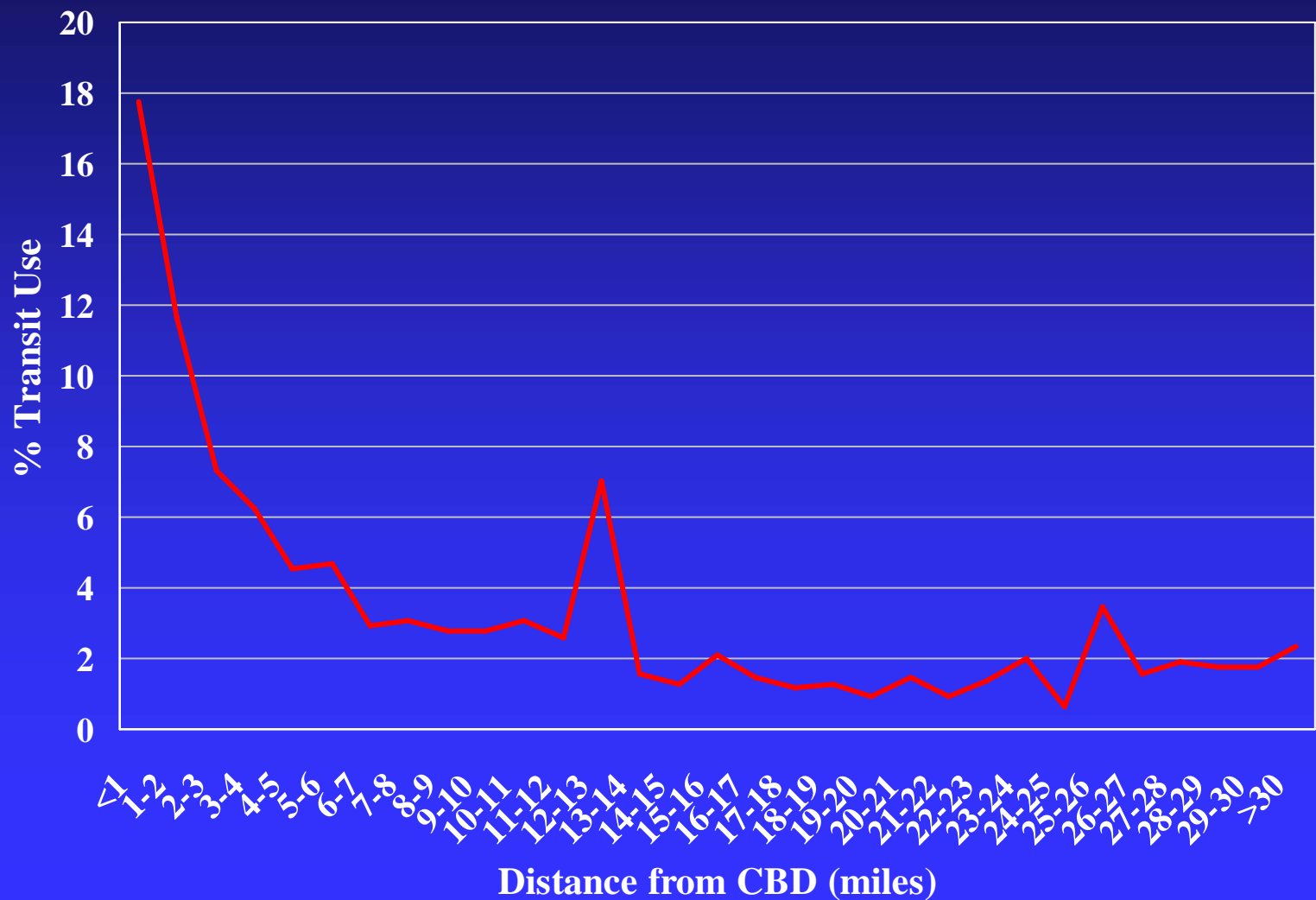


Transit Commuting from Seattle places - 2000

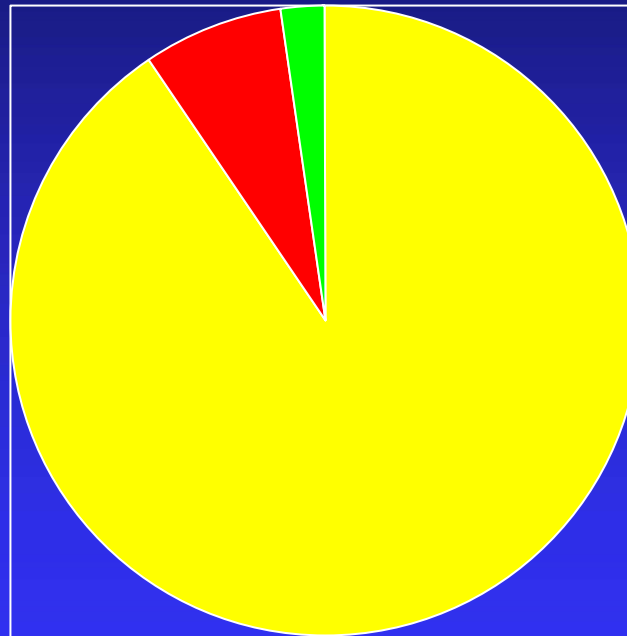


High Transit use in town

San Diego, CA (1990)



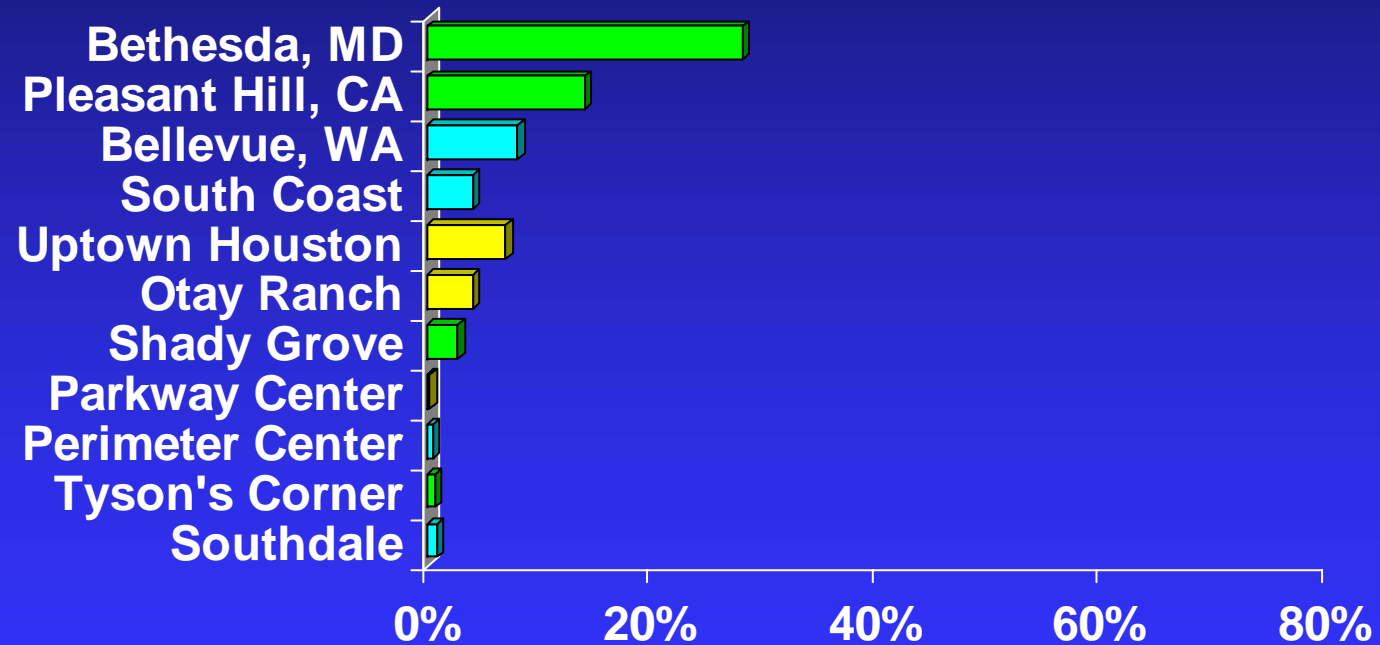
Suburban Business Districts



■ Drive ■ Transit ■ Walk/Bike

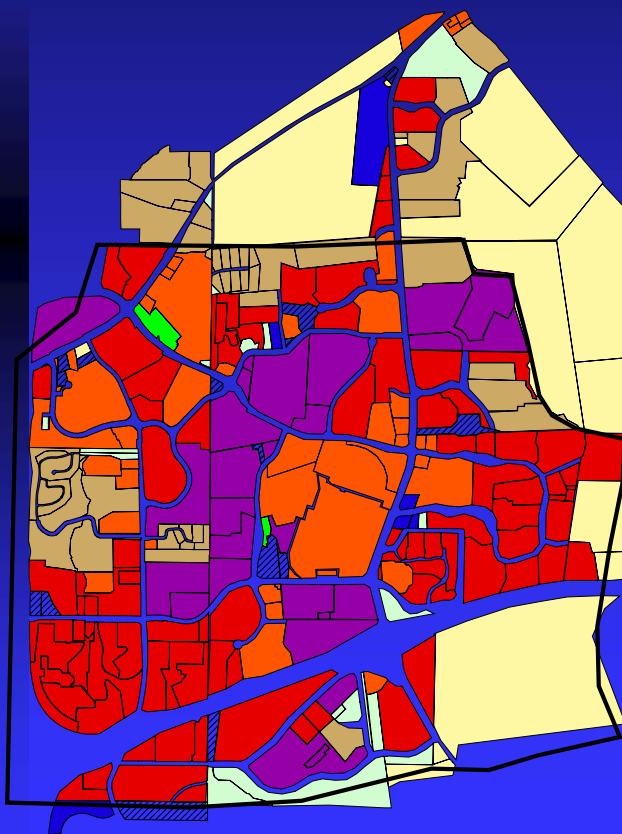
Commuting to Bellevue CBD

Transit and Suburban Centers

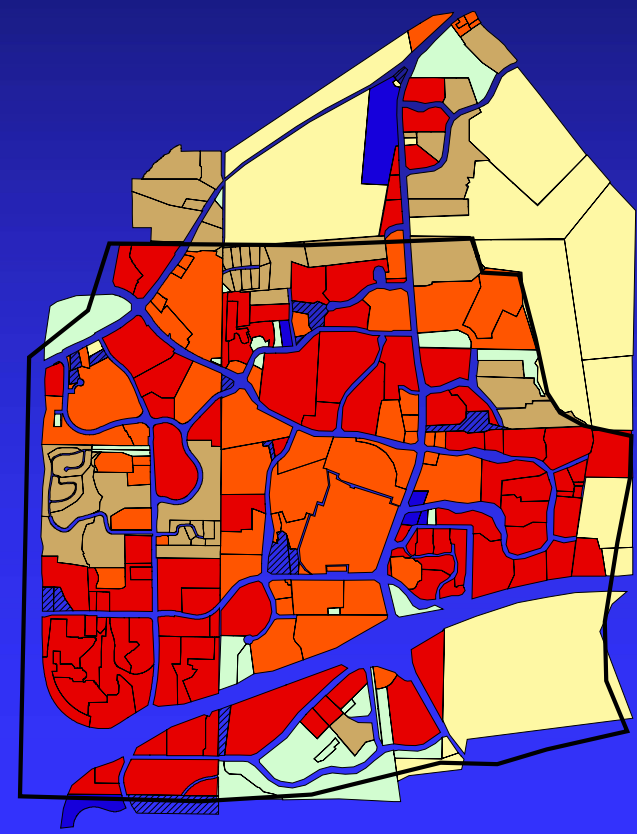


Different Development

LCI Plan



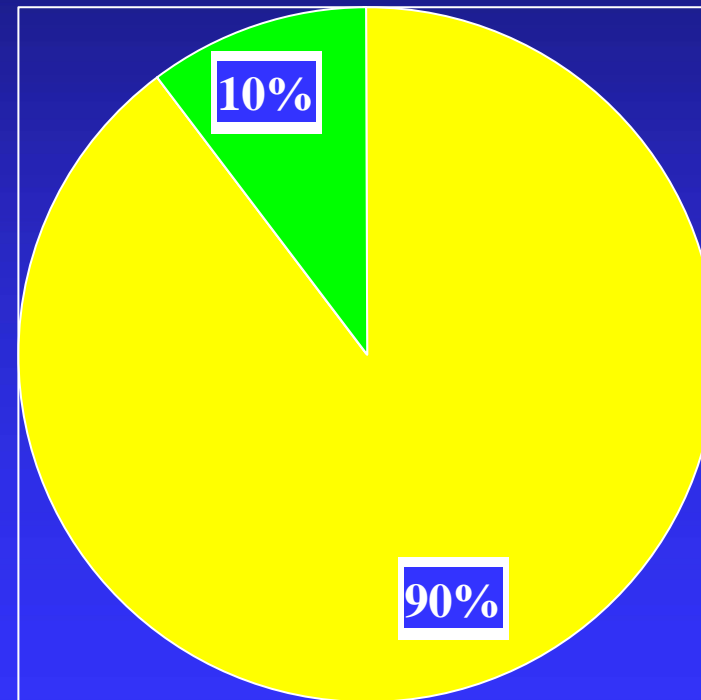
Status Quo



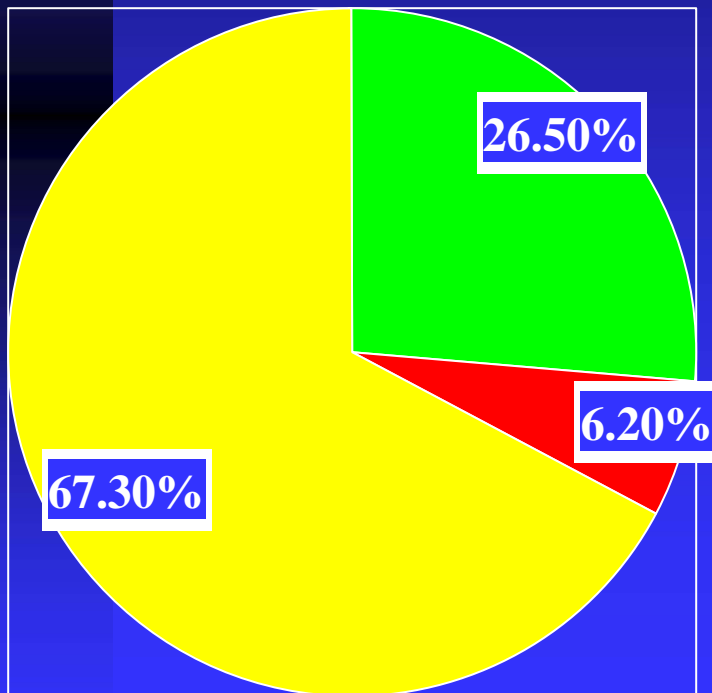
- Study Area Boundary
- Single Family Residential
- Multi Family Residential
- Commercial - General
- Commercial - Office
- Institutional
- Mixed Use
- Park
- Parking
- Vacant

Walking at Work: The Washington Suburbs

Car Suburb



Pedestrian Suburb



Auto
Transit
Walk

Urban Development Choices: Transportation Friendly, Developer Unfriendly

- More transit , less driving
- Walking pleasant
- Shared parking
- Revitalizes city
- *But*
 - ◆ More expensive
 - ◆ High Risk
 - ◆ Uncertain Profits



Fruitvale Village Oakland, CA





SASAKI

Suburban - Developer Friendly, Transportation UnFriendly

- Conventional Patterns increase driving, make transit difficult
- *But* - Where the Growth is, so make it more transit friendly



Smarter growth better traffic

- Remove barriers to Infill
- Promote choices in maturing suburbs
- Improve quality of development on the fringe



Growth on the Fringe

- Overwhelming share
- Easiest Housing
- Transportation Crisis?
- Sustainability
- Scale - problem and solution

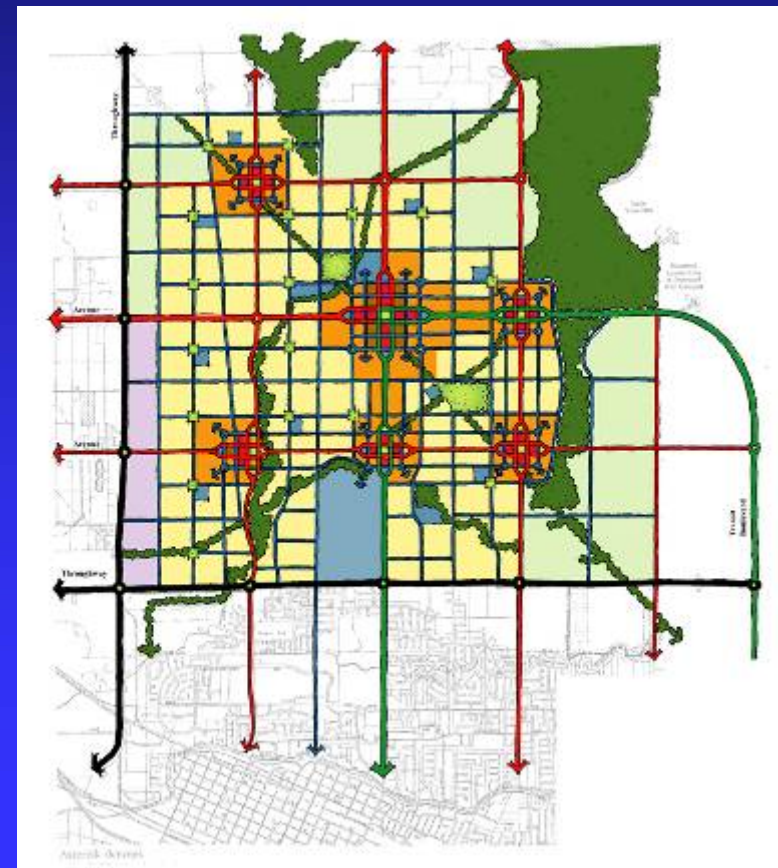
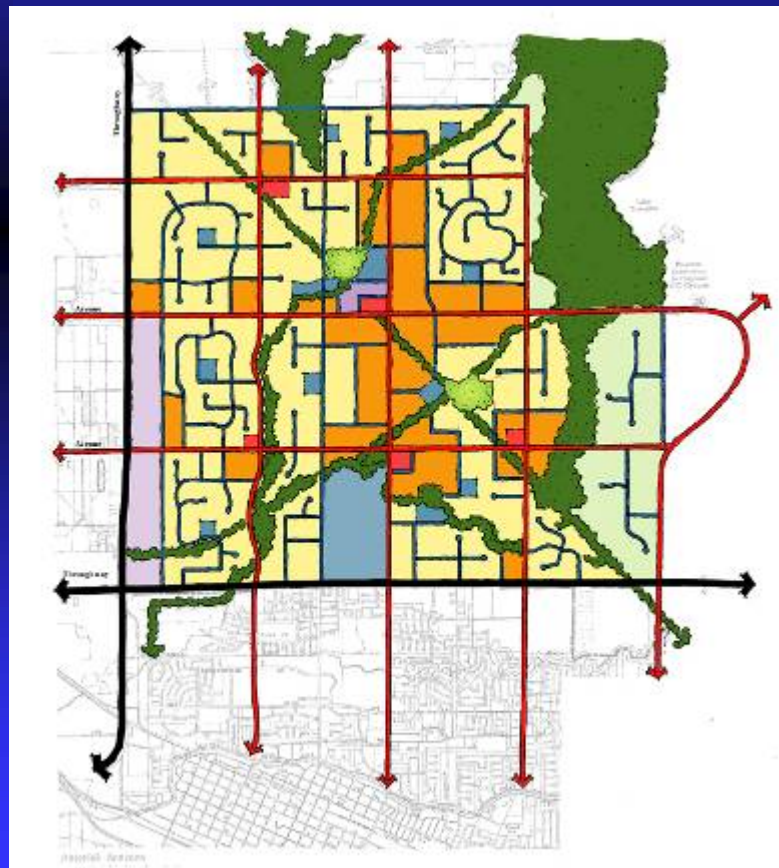


Principles for Smart Growth on the Fringe

- Green infrastructure
- Create walking opportunities
- Transit ready development
- Concentrated mixed use centers
- Diverse housing types
- Connect the streets

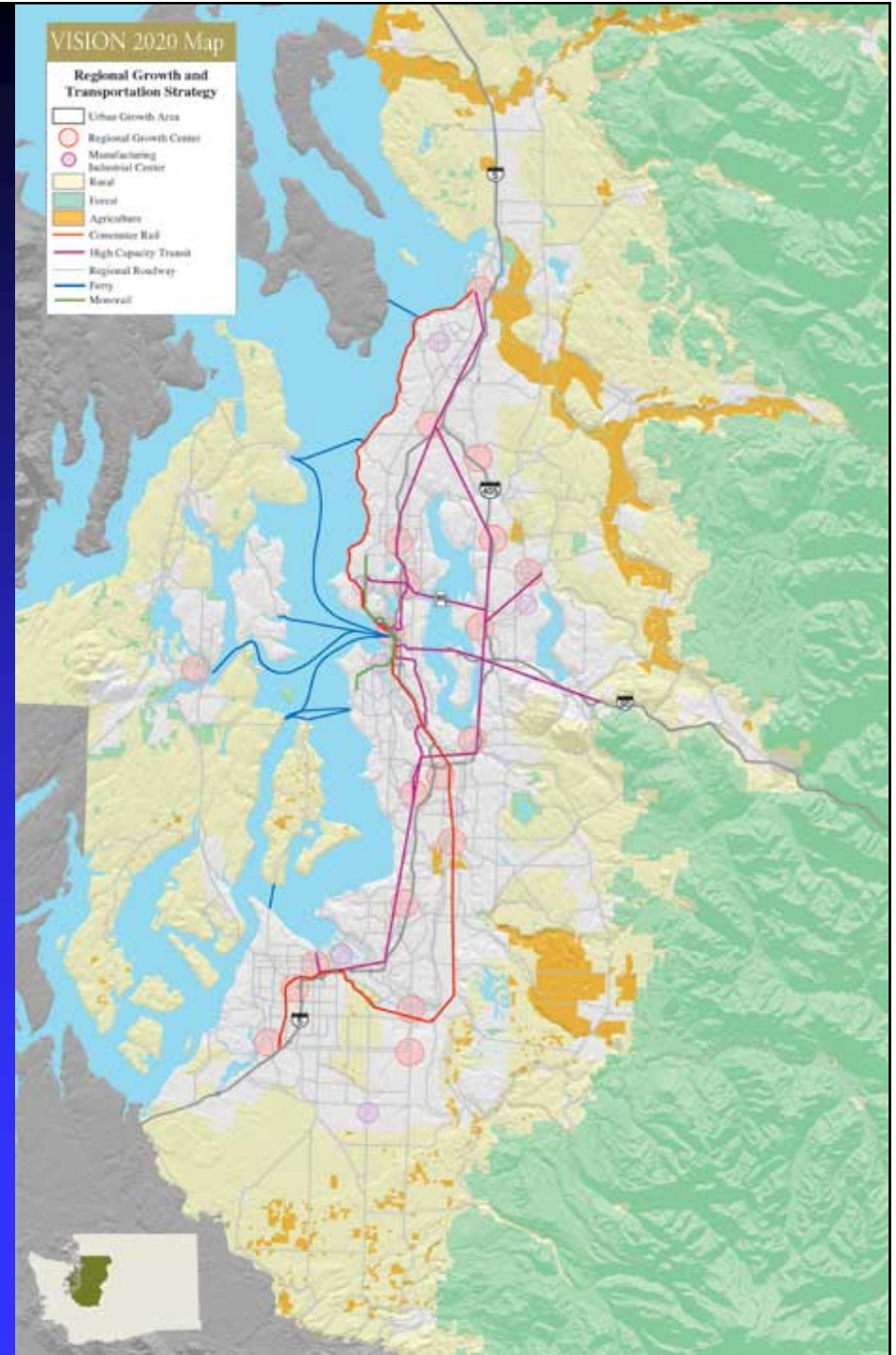


Use multiple connections to enhance mobility and circulation



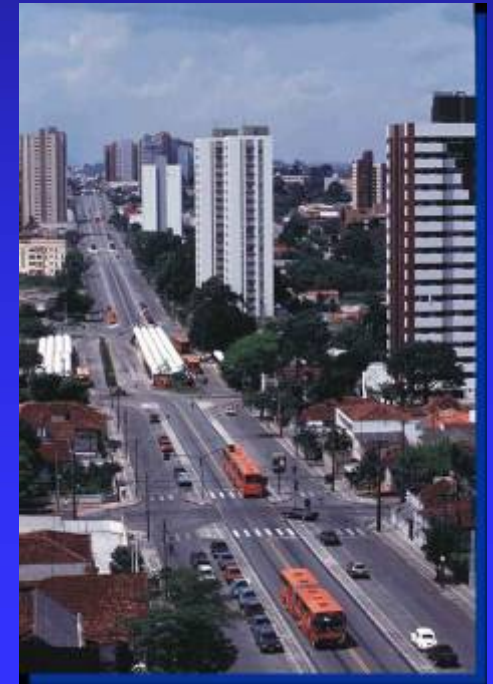
Regional Growth Strategy

- Housing
- Commercial Centers
- Connections
 - ◆ Roads
 - ◆ Transit
 - ◆ Design
- Travel Outcome



Reinforce Good Transit Markets

- Improve urban service
- Make Development support Suburban services



Transit - User's View



Transit – Non User's View



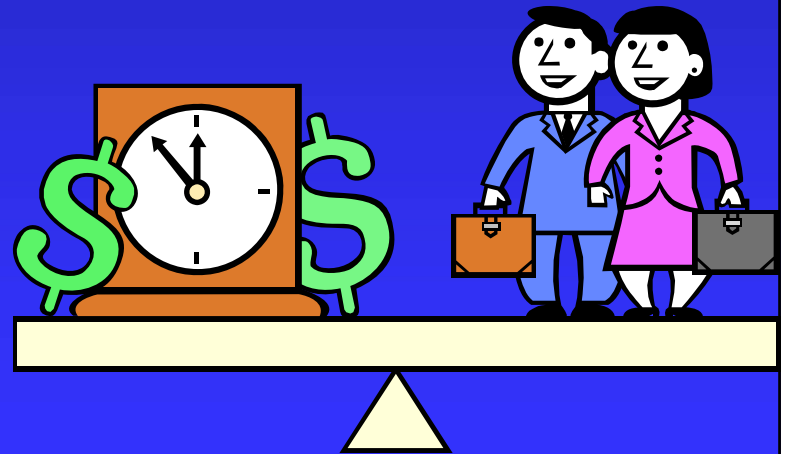
Rail System Development

1980's	1990's	Since 2000
Miami	Baltimore	Houston
Baltimore	St. Louis	Minneapolis
San Diego	Denver	Las Vegas
Buffalo	Dallas	
Portland	Salt Lake City	Phoenix
San Jose		Charlotte
Sacramento		Seattle
Los Angeles		

The last shall be best

- The worst transportation planning in the country – *Economist*
- “Seattle does planning better than anywhere else in the country, we just don't make decisions. -- *Mark Hallenbeck, Washington State Transportation Center*

Putting it all together



Toward Sustainability - Community

- Growth to support options
- Imagine the community of the future
- Fix it first
- Sustainable funding
- Get the price right

Toward Sustainability - Individual

- Think transportation when thinking housing
- Have a plan B
- Use it once a week
- Withhold cars until after high school



Developing Around **Transit**

Strategies and
Solutions
That Work



Urban Land
Institute

Fred Dock
Robert Cervero
Maureen McAvey
Doug Porter
Bob Dunphy

Thanks!
Robert T. Dunphy
www.uli.org 800-321-5011

